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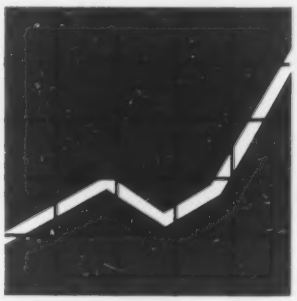

Colorado Business Review

BUSINESS RESEARCH DIVISION • GRADUATE SCHOOL OF BUSINESS ADMINISTRATION • UNIVERSITY OF COLORADO

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Volume LVII, Number 10, October 1984

The Evolution of the Colorado Economy, 1940–1980

Michael C. Bird

The beginning of World War II is a benchmark in the transformation of the U.S. economy into its modern form. The years from 1940 to 1980 brought the most dramatic changes in the structure of the Colorado economy since statehood in 1876.

Colorado, an economy heavily dependent on distribution, agriculture, and to a lesser extent, mining, evolved in these years into a state in which new kinds of manufacturing became a leading sector in the "export base." Expansion of the export base is generally considered the key to the economic development of a region. It consists of those activities which sell a large proportion of their output to buyers outside the state, thereby bringing in income which is available to buy goods and services produced within the "local services" sectors (construction, infrastructure, trade, other services, etc.) or to "import" goods from outside the state.

METHODOLOGY

A useful way to interpret this economic structural evolution is through the use of employment shift-share analysis.[1] This technique provides a means of estimating how state employment, classified by type of economic activity, has changed in comparison to the aggregate national employment trend as well as the national trend in the respective activity categories. Differences in the Colorado trend in each activity from the combined effect of these two national trend rates are then taken to reflect the competitive share effect attributable to the specific characteristics of the state economy which attract or repel the various activities.

These competitive share attributes include labor force quality, infrastructure (transportation, communications, and utilities), education system, quality of life amenities, tax climate, and the effectiveness of state business and political leaders in both seeking new enterprises and encouraging the expansion of those already in place. In sum, the shift-share technique provides three components of changes of employment in each activity over time:

(1) Employment change related to national growth: an indication of how the state employment has grown as a result of overall national expansion;

(2) Employment change related to industry mix: an indication of the viability of the state's mix of economic activities signaling whether Colorado's economic structure consists of a mix of activities which are predominantly slow-growing or fast-growing activities at the national level;

(3) Employment change related to competitive share: a measure of the competitive strength of the state in getting more or less than its "fair share" of the various activities as they change nationally.

RESULTS OF SHIFT-SHARE ANALYSIS

Table 1 presents employment figures for Colorado from 1940 to 1980. The employment categories are, with some adaptation, those used in the U.S. Census for each of the decennial years.

Table 1 also shows the sources of employment change which were computed using the shift-share analysis just described. The three components of employment change for each activity necessarily total the actual employment change realized in each activity during the 40-year period. Some of the following highlights emerge from this set of computations.

Employment in agriculture, forestry, and fishing in 1980 was close to half the level of 1940. This drop mirrored the declining national trend of employment in these primary sector activities as the shift from farm to urban employment nearly completed its historic route. Colorado actually outperformed the nation in the sense that employment in this important export base activity declined less than the industrial mix component alone would have dictated. Still, agricultural activities fell from about 21% of Colorado's employment in 1940 to only 3% in 1980.

Mining in Colorado, another export base industry, expanded somewhat over the 40 years, but most of the expansion occurred between 1970 and 1980. The growth of the national economy and Colorado's competitive share accounted for this growth, overwhelming the negative industrial mix effect resulting from the national decline of the mining industry. However, mining in Colorado was responsible for only 2.6% of total state employment in 1980 compared to 4.5% in 1940.

Contract construction differs from the primary sectors of agriculture and mining in that it basically responds to, rather than initiates, changes in the export base of the state. Thus the rapid expansion of this sector, especially in the 1970s, reflects mainly a strong competitive share effect in accord with the rapid expansion of the Colorado export base.

The key to the expansion of the export base in Colorado was the manufacturing sector, which shifted greatly both in size and content. From approximately 10% of Colorado's employment in 1940, manufacturing rose to nearly 14% of the total in 1980, and far outdistanced both agriculture and mining combined as a source of export employment.

Furthermore, the composition of manufacturing changed sharply. The earlier heavy reliance on processing of food and kindred products gave way (falling from 27% of Colorado's manufacturing employment in 1940 to 11% in 1980) before a surge in electrical equipment manufacturing (which rose from 5% of manufacturing employ-

[1] A convenient exposition of how the computations are made using this technique can be found in *Economic Analysis for Local Government*, National League of Cities, Washington, D.C., 1978.

Michael C. Bird is an associate professor of economics at The Colorado College, Colorado Springs.

TABLE 1

EMPLOYMENT IN COLORADO, 1940-1980, AND SHIFT-SHARE ANALYSIS

Category of Employment	Employment					1940-1980 Change Related to			
	1940	1950	1960	1970	1980	National Growth	Industry Mix	Competitive Share	Total Change
Agriculture, forestry & fisheries	74,046	72,467	48,660	38,093	42,185	95,423	-144,219	16,935	-31,861
Mining	15,897	10,254	14,250	14,232	36,632	20,486	-18,584	18,833	20,735
Contract construction	17,869	38,085	44,179	54,668	107,063	23,028	8,687	57,479	89,194
Manufacturing	35,567	58,279	98,887	120,581	192,305	45,835	-12,270	123,073	156,738
Food & kindred products	9,768	13,207	17,595	16,043	20,535	12,588	- 8,811	6,990	10,767
Textile mill products & apparel	845	1,617	2,145	2,847	4,440	1,089	- 961	3,467	3,595
Lumber, wood products & furniture	2,295	3,134	3,092	3,917	7,602	2,958	- 2,249	4,598	5,307
Printing & publishing	4,334	6,835	10,008	11,429	19,870	5,585	575	9,376	15,536
Chemicals & allied products	975	2,068	3,264	3,614	4,403	1,256	587	1,585	3,428
Electrical & other machinery	1,938	4,875	10,662	25,099	49,722	2,498	4,538	40,748	47,784
Motor vehicles & other transport. equipment	517	1,185	3,878	9,104	12,998	666	240	11,575	12,481
Other & miscellaneous	14,895	25,358	48,243	48,528	72,735	19,195	- 6,089	44,734	57,840
Railroads & railway express	13,546	15,609	10,442	7,108	8,903	17,457	-24,121	2,021	- 4,643
Trucking & warehousing	4,804	7,914	11,617	12,890	20,265	6,191	3,683	5,587	15,461
Other transportation	2,285	6,180	7,667	12,520	34,263	2,945	3,822	25,211	31,978
Communications	4,246	8,062	9,964	13,330	25,047	5,472	5,801	9,528	20,801
Utilities & sanitary service	4,121	7,780	10,258	14,840	20,190	5,311	959	9,799	16,069
Wholesale trade	11,468	19,592	24,781	37,798	61,712	14,779	13,741	21,724	50,244
Food–dairy product stores	11,264	13,331	16,048	18,761	33,313	14,516	- 6,914	14,447	22,049
Eating & drinking places	9,411	16,329	20,555	31,886	70,761	12,128	13,577	35,645	61,350
Other retail trade	35,203	51,179	66,516	95,166	132,740	45,366	4,474	47,697	97,537
Finance, insurance & real estate	11,565	16,947	29,562	46,409	96,725	14,903	19,938	50,319	85,160
Hotels & other personal services	16,328	19,818	23,399	31,217	40,356	21,041	1,904	1,083	24,028
Private households	12,971	9,857	15,200	8,617	6,600	16,716	-26,199	3,112	- 6,371
Business & repair services	9,103	14,241	16,875	28,559	64,633	11,731	22,001	21,798	55,530
Entertainment & recreation	3,109	5,172	5,675	8,569	16,377	4,006	772	8,490	13,268
Medical & other professional	33,095	51,880	90,547	175,632	274,880	42,650	121,121	78,014	241,785
Public administration	14,806	26,582	40,523	54,900	77,067	19,080	17,450	25,731	62,261
Armed forces	3,200	15,431	27,947	48,520	38,358	4,124	9,801	21,233	35,158
Industry not reported	5,831	7,086	31,182	-	-				- 5,831
Total employment	349,735	492,075	654,716	874,296	1,400,375	443,188	15,524	597,759	1,050,640

Sources of employment data:

1940, 1950, and 1960: *Growth Patterns in Employment by County, 1940-1950 and 1950-1960*, (Vol. 7, Rocky Mountains), U.S. Department of Commerce, 1965. This study uses the Census data for these years.

1970: *1970 Census of Population, General Social and Economic Characteristics of the Population, U.S. Summary, Part 1*, Tables 90 and 92, and Part 7, Colorado, Tables 121 and 123, U.S. Department of Commerce, Bureau of the Census, 1973.

1980: *1980 Census of Population, General Social and Economic Characteristics of the Population, U.S. Summary, Part 1*, Tables 86 and 90, and Part 7, Colorado, Tables 67 and 69, U.S. Department of Commerce, Bureau of the Census, 1983.

ment in 1940 to 26% in 1980) as Colorado's Front Range moved successfully into the high tech era. Most of the growth of manufacturing in Colorado is attributed to the state's competitive share, as manufacturing nationally was actually a slow growth industry lagging far behind overall national employment growth. This positive effect was complemented by the emphasis on the manufacturing subsector which performed best nationally, rather than on the older, heavier "smoke stack" industries whose stagnation burdened other regions of the country.

Infrastructure is particularly important to economic development in that it provides the basic transportation, communication and utility services upon which the export base activities vitally depend. Infrastructure employment shared strong growth in Colorado and, combining all such activities, maintained its share of about 8% total employment over the 40 years. Within this aggregate trend, however, railroad and railway express employment declined, reflecting the national trend of this activity. However, all of the other activities in this sector expanded, based on all three shift-share components. This was befitting the role of Colorado, particularly Denver, as the transportation hub of the Rocky Mountain region.

Like infrastructure, almost all the activities encompassed by wholesale and retail trade, as well as finance, insurance, real estate, and remaining private services expanded steadily throughout the four decades. This pattern followed both the expansion of the national economy and its shift into what has become known as the "services" economy. The only exception was private household services, which declined both nationally and in Colorado as maids were supplanted by improved consumer durable appliances.

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Colorado's strong competitive share component in the growth of services also reflects the spillover or multiplier effects of the expansion of the state's export base. The main exception to this generalization is tourism, which is a legitimate part of the export base. The growth of hotel and other personal service employment shows some but not dramatic progress in Colorado. Most of the growth in this activity is attributed to the expansion of aggregate national employment, with very little due to Colorado's competitive share.

Also especially notable are the large increases in business and repair services, which grew over 600% during the four decades, and in eating and drinking places, whose more than sevenfold increase accompanied the explosion in the number of fast food outlets. Both of these activities tend to be dominated by small business.

Another salient change is the very rapid growth of medical and other professional services. This trend in part can be interpreted as showing the strong pull of Colorado's climate and quality of life attributes on highly educated and relatively footloose professions not bound to locate in a particular geographic location.

Public administration[2] employment grew steadily in Colorado, again primarily in response to the expanded export base which brought about higher incomes which in turn generated greater tax revenues that provided additional government services. Following the national pattern, however, employment in this activity actually rose as a proportion of Colorado employment–from 4.2% in 1940 to 5.5% in 1980.

Finally, although not least in importance by any means, employment in the U.S. armed forces in Colorado rose rapidly between 1940 and 1970, then declined somewhat in the wake of the military de-emphasis after Viet Nam. This activity can also be seen as part of the state's export base, in effect exporting defense services to the rest of the nation and the free world in general. Most of the growth is accounted for by Colorado's competitive share, as the state has succeeded in securing more than its "fair share" of defense establishments. These include institutions such as the Air Force Academy, Fort Carson, NORAD, Lowry Air Force Base, and, in the 1980s, the Consolidated Space Operation Center in Colorado Springs. This last activity promises to complement the growth of high tech manufacturing in the state. Overall, employment in the armed forces in Colorado grew from .9% of total state employment in 1940 to 2.7% in 1980, although this was down from 5.5% in 1970.

[2]The census data used for this article include some government workers in the same activity as private workers based on the similarity of jobs (e.g., physicians employed by a government agency appear as private physicians in "medical and other professional services"), while the category of public administration includes employees of agencies with unique government functions such as general city, county, or state government.

CONCLUSION

The foregoing summary has not attempted to offer detailed explanations of the trends revealed by the data, but rather to pinpoint some of the key shifts that have occurred. The cumulative effect of the changes depicted over the 40 years is indeed dramatic, and shows that Colorado can legitimately claim to have shed its reputation as an overwhelmingly primary industry and distribution center in favor of an image of a state with a versatile and rather dynamic economy. This achievement has been based mainly upon a combination of a fortuitous selection of a strong mix of nationally rapidly growing manufacturing industries (the industry mix effect) as well as a successful effort to attract a disproportionate share of both this type of industry and defense activities to the state (the competitive share effect).

Whether Colorado will continue to enjoy success based on these ingredients will depend on a variety of variables. This is particularly true for the competitive share effect in light of the surge in intensity of competition among states to attract just the kind of high tech activities in which Colorado has been successful. In this regard, especially keen issues which must now be addressed include: Colorado's tax policy, specifically the effects of the use of the unitary tax method for worldwide combinations; the quality of higher education, particularly in science and engineering; and the provision of infrastructure, notably the need for improved air transportation facilities. Other issues, such as preservation of Colorado's quality of life amenities and assuring a high quality labor force, are perhaps less critical immediately although certainly crucial as well in a longer run context. Finally, political and business leadership is the ingredient that touches all of these areas and will perhaps be most critical of all in influencing the direction in which the Colorado economy evolves during the next 40 years.

COLORADO BUSINESS REVIEW TO CEASE PUBLICATION

The *Colorado Business Review* will discontinue publication with the December 1984 issue. The *Review* has had a long and distinguished record in providing the business and academic communities with research, statistical data, and articles. When the publication started it was one of the few sources of business and economic data in the state. But just as the Colorado economy has changed and expanded so has the number of publications and space devoted to business conditions. No reader needs to be in the dark about conditions with the many sources currently available.

Most of the statistical research and data included in the *Review* is being collected and published by other agencies and generally on a more current basis. The availability of alternative sources and publications, budget considerations, and personnel changes make this an appropriate time to discontinue the *Review*.

COLORADO BUSINESS INDICATORS
(Figures in Thousands Unless Otherwise Indicated)

	June 1984	May 1984	June 1983	Percent Change June 1984 from May 1984	Percent Change June 1984 from June 1983
Total Civilian Labor Force (by place of residence)[a]	1,743.3	1,706.8	1,706.3	2.1	2.2
Unemployment	87.5	86.2	111.8	1.5	-21.7
Unemployment Rate (percent)	5.0	5.0	6.6	—	—
Employment	1,655.8	1,620.6	1,594.5	2.2	3.8
Nonagricultural Wage and Salary	1,609.4	1,582.6	1,547.5	1.7	4.0
Agricultural	46.4	38.0	47.0	22.1	- 1.3
Total Nonagricultural Wage and Salary Employment (by place of work)[a]	1,369.2	1,358.0	1,334.9	0.8	2.6
Mining	37.6	37.4	37.0	0.5	1.6
Metallic Minerals	6.9	6.8	5.9	1.5	17.0
Bituminous Coal, Lignite, and Nonmetallic	5.3	5.3	4.7	0.0	12.8
Oil and Gas Extraction	25.5	25.4	26.4	0.4	- 3.4
Contract Construction	88.4	85.3	83.4	3.6	6.0
Manufacturing	188.5	186.7	180.6	1.0	4.4
Lumber, Wood Products, and Furniture	6.4	6.3	6.4	1.6	0.0
Stone, Clay, Glass, and Concrete Products	10.1	9.8	9.4	3.1	7.5
Primary and Fabricated Metals	15.0	14.5	14.3	3.5	4.9
Machinery, Except Electrical	28.9	28.8	26.1	0.4	10.7
Electric and Electronic Equipment	20.0	19.9	19.1	0.5	4.7
Transportation Equipment	15.3	15.0	13.7	2.0	11.7
Other Durable Goods	27.7	27.4	28.1	1.1	- 1.4
Food and Kindred Products	23.7	24.0	24.0	- 1.3	- 1.3
Textiles and Apparel	3.2	3.1	3.0	3.2	6.7
Paper and Allied Products	2.2	2.2	2.0	0.0	10.0
Printing and Publishing	19.5	19.4	18.8	0.5	3.7
Chemicals and Allied Products	8.4	8.3	7.8	1.2	7.7
Other Nondurable Goods	8.1	8.0	8.0	1.3	1.3
Finance, Insurance, and Real Estate	88.6	87.2	87.2	1.6	1.6
Banking	22.3	22.3	22.4	0.0	- 0.5
Credit Agencies Other than Banks	14.8	14.8	14.7	0.0	0.7
Insurance Carriers, Agents, and Brokers	21.3	21.1	20.9	1.0	1.9
Real Estate and Combination Offices	22.4	21.6	22.2	3.7	0.9
Other Finance, Insurance, and Real Estate	7.8	7.5	7.1	4.0	9.9
Transportation and Public Utilities	85.9	85.0	85.2	1.1	0.8
Railroad Transportation	6.0	5.9	5.8	1.7	3.5
Trucking and Warehousing	17.1	16.9	16.7	1.2	2.4
Air Transportation	15.1	14.7	15.2	2.7	- 0.7
Other Transportation	6.7	6.7	6.5	0.0	3.1
Communications, Electric, Gas, and Sanitary Services	41.1	40.8	41.0	0.7	0.2
Trade	335.3	331.3	328.4	1.2	2.1
Wholesale Trade	79.9	79.1	78.3	1.0	2.0
Retail Trade	255.4	252.2	250.1	1.3	2.1
Services	299.8	295.5	290.1	1.5	3.3
Lodging and Combination Lodging/Eating Places	26.2	24.9	24.8	5.2	5.7
Personal Services	15.2	15.2	14.7	0.0	3.4
Business Services	60.3	60.2	55.6	0.2	8.5
Auto and Miscellaneous Repair Services	14.7	14.6	14.3	0.7	2.8
Amusements and Recreation	17.8	17.0	19.2	4.7	- 7.3
Health Services	76.0	75.7	75.1	0.4	1.2
Educational Services	10.5	11.1	10.5	- 5.4	0.0
Membership Organizations	21.8	21.3	21.0	2.4	3.8
Other Services	57.2	55.6	54.9	2.9	4.2
Government	245.1	249.7	243.1	- 1.8	0.8
Federal	52.8	52.3	53.1	1.0	- 0.6
State	53.2	59.4	51.3	-10.4	3.7
Local	139.0	138.0	138.7	0.7	0.2

	June 1984	May 1984	June 1983	Percent Change June 1984 from May 1984	Percent Change June 1984 from June 1983
Average Weekly Hours					
Construction	39.5	40.1	38.5	- 1.5	2.6
Manufacturing	41.0	40.7	39.8	0.7	3.0
Durable Goods	41.5	41.1	40.4	1.0	2.7
Nondurable Goods	40.2	40.0	38.9	0.5	3.3
Average Weekly Earnings ($)					
Construction	515.08	525.71	507.81	- 2.0	1.4
Manufacturing	382.94	378.92	358.60	1.1	6.8
Durable Goods	395.91	391.27	365.22	1.2	8.4
Nondurable Goods	361.80	358.40	348.54	1.0	3.8
Initial Unemployment Claims (000)	10.7	12.3	16.0	-13.0	-33.1
Bankruptcies, All Types (number)	494	612	500	-19.3	- 1.2
Total State Revenue ($000)	737,664	284,977	687,042	158.9	7.4
Total State Expenditures ($000)	573,492	362,447	511,568	58.2	12.1
Crude Oil Production (thous. bbls.)	2,508	2,435	2,321	3.0	8.1
Dry Gas Production (mil. cu. ft.)	9,927	9,879	7,310	0.5	35.8
Coal Production	1,554.8	1,647.6	1,400.1	- 5.6	11.1
New Oil and Gas Wells (number)	171	162	144	5.6	18.8
Natural Gas Used (bil. cu. ft.)	5.7	8.6	6.7	-33.7	-14.9
Electrical Power Sales (mil. kwh)					
Residential	480.6	542.5	474.7	-11.4	1.2
Nonresidential	1,081.1	988.2	992.1	9.4	9.0
New Construction, 122 places					
Residential permits (number)	2,467	2,763	3,401	-10.7	-27.5
Residential value ($000)	186,301	217,233	217,065	-14.2	-14.2
Nonresidential permits (number)	250	496	359	-49.6	-30.4
Nonresidential value ($000)	125,037	412,475	105,087	-69.7	19.0
Highway Contractor Payments ($000)	18,466	16,787	10,929	10.0	69.0
Savings and Loan Net New Savings ($000,000)	49.4	167.4	-50.3	-70.5	–
National Park Recreational Visits—10 Areas (000)	695.5	336.9	863.4	106.4	-19.5
Motor Vehicle Title Applications (000)	117.8	93.9	90.0	25.5	30.9
Highway Vehicle Traffic Counts at Border Stations (daily average)	48,750	39,422r	49,039	23.7	- 0.6
Air Passengers, Stapleton (000)[b]	2,651	2,394	2,362	10.7	12.2
Air Freight and Air Express, Stapleton (thous. lbs.)	26,007	28,713	25,925	- 9.4	0.3
Prices Received by Farmers ($)					
Beef Cattle (per cwt)	62.90*	64.60	64.40	- 2.6	- 2.3
Lamb (per cwt)	55.40*	62.10	56.00	-10.8	- 1.1
Wheat (per bu.)	3.26*	3.34	3.36	- 2.4	- 3.0
Corn (per bu.)	3.32*	3.21	3.35	3.4	- 0.9
Potatoes (per cwt)	7.05*	7.00	3.60r	0.7	95.8
Wool (per lb.)	.80*	.85	.60r	- 5.9	33.3

NOTES: An asterisk (*) indicates preliminary data subject to revision.
Revised data are marked (r).
n.r.—not reported.

[a]Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

[b]Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.
Bankruptcies from the Office of the Federal Referee in Bankruptcy.
State Revenue and Expenditures from the State Controller's Office.
Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.
Coal Production from Colorado State Coal Mine Inspection Department.
Natural Gas Used from Colorado Interstate Gas Company.
Electrical Power Sales from 17 individual companies.
New Construction from Bureau of the Census, U.S. Department of Commerce.
Highway Contractor Payments from the Colorado Highway Department.
Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.
Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.
Recreational Visits from National Park Service, Denver.
Highway Traffic counts from Colorado Highway Department.
Air Passengers, Freight, and Express from Stapleton International Airport Business Office.
Prices Received by Farmers from U.S. Department of Agriculture.

LOCAL BUSINESS CONDITIONS
(All Figures in Thousands)

	June 1984	May 1984	June 1983
ALAMOSA (1982 pop. 7,182)			
Electric Power (kwh)	2,997	3,200	3,656
Constr. ($)—Res.	40	0	0
—Nonres.	60	0	0
Deposits ($) (2 of 2 banks)	51,015	52,939	51,315
ARVADA (1982 pop. 91,262)			
Electric Power (kwh)	26,846	28,142	25,079
Constr. ($)—Res.	3,836	5,498	7,183
—Nonres.	158	0	849
Deposits ($) (4 of 5 banks)	123,203	122,263	107,802
ASPEN (1982 pop. 4,081)			
Electric Power (kwh)	2,465	2,698	n.a.
Constr. ($)—Res.	251	0	500
—Nonres.	0	0	1,865
Deposits ($) (3 of 3 banks)	77,772*	80,152*	95,076
AURORA (1982 pop. 178,665)			
Electric Power (kwh)	86,837	95,756	77,792
Constr. ($)—Res.	15,148	12,473	25,399
—Nonres.	7,247	3,583	4,066
Deposits ($) (13 of 16 banks)	324,450	321,997	269,859
BOULDER (1982 pop. 80,651)			
Electric Power (kwh)	55,787	57,176	51,959
Constr. ($)—Res.	4,459	3,101	4,460
—Nonres.	3,780	2,343	3,209
Deposits ($) (10 of 10 banks)	578,318	583,598	552,263
BRIGHTON (1982 pop. 13,239)			
Electric Power (kwh)	4,808	4,625	4,757
Constr. ($)—Res.	235	338	214
—Nonres.	225	277	129
Deposits ($) (2 of 2 banks)	71,280	74,802	59,048
BROOMFIELD (1982 pop. 22,452)			
Electric Power (kwh)	10,300	10,507	9,985
Constr. ($)—Res.	1,512	1,264	687
—Nonres.	155	1,577	5,017
Deposits ($) (2 of 2 banks)	69,396	73,425	60,211
CANON CITY (1982 pop. 13,576)			
Electric Power (kwh)	22,985	23,986	25,000
Constr. ($)—Res.	139	695	114
—Nonres.	50	0	0
Deposits ($) (3 of 3 banks)	115,960	118,910	108,121
COLORADO SPRINGS (1982 pop. 230,553)			
Electric Power (kwh)	169,218	169,784	153,704
Constr. ($)—Res.[a]	32,061	29,125	31,358
—Nonres.	26,107	38,637	13,019
Deposits ($) (18 of 21 banks)	1,173,992	1,160,996	1,034,143
COMMERCE CITY (1982 pop. 16,412)			
Electric Power (kwh)	27,221	27,747	33,359
Constr. ($)—Res.	321	457	55
—Nonres.	0	0	100
Deposits ($) (1 of 1 bank)	30,845	31,296	26,800
CORTEZ (1982 pop. 7,489)			
Electric Power (kwh)	3,492	3,520	3,347
Constr. ($)—Res.	76	210	0
—Nonres.	337	202	215
Deposits ($) (3 of 3 banks)	100,744	97,156	91,448
CRAIG (1982 pop. 10,000)			
Electric Power (kwh)	3,862	4,340	4,015
Constr. ($)—Res.	0	60	88
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	61,069	62,142	61,902

	June 1984	May 1984	June 1983
DENVER (1982 pop. 500,600)			
Electric Power (kwh)	342,716	335,158	318,601
Constr. ($)—Res.	30,061	10,556	15,857
—Nonres.	16,850	15,783	38,958
Deposits ($) (45 of 48 banks)	7,434,079*	7,477,097*	7,361,148
DURANGO (1982 pop. 12,276)			
Electric Power (kwh)	n.r.	n.r.	5,306
Constr. ($)—Res.	343	2,087	304
—Nonres.	117	263	200
Deposits ($) (4 of 4 banks)	153,292	149,185	129,527
ENGLEWOOD (1982 pop. 30,555)			
Electric Power (kwh)	22,222	20,294	20,109
Constr. ($)—Res.	179	43	472
—Nonres.	81	3,150	209
Deposits ($) (10 of 14 banks)	491,914	481,920	400,310
ESTES PARK (1982 pop. 2,934)			
Electric Power (kwh)	4,673	4,868	4,818
Constr. ($)—Res.	420	822	393
—Nonres.	0	0	136
Deposits ($) (2 of 2 banks)	41,987	41,668	40,802
FORT COLLINS (1982 pop. 68,307)			
Electric Power (kwh)	42,767	41,799	39,713
Constr. ($)—Res.	5,702	9,025	5,872
—Nonres.	2,118	303,027	2,170
Deposits ($) (9 of 9 banks)	466,377	449,503	415,591
FORT MORGAN (1982 pop. 8,913)			
Electric Power (kwh)	7,301	6,446	7,015
Constr. ($)—Res.	78	240	n.r.
—Nonres.	0	0	n.r.
Deposits ($) (3 of 3 banks)	105,708	106,589	96,362
GLENWOOD SPRINGS (1982 pop. 5,000)			
Electric Power (kwh)	4,861	4,525	4,689
Constr. ($)—Res.	256	64	120
—Nonres.	0	74	0
Deposits ($) (4 of 4 banks)	136,144	132,715	125,034
GOLDEN (1982 pop. 13,109)			
Electric Power (kwh)	5,970	5,835	5,487
Constr. ($)—Res.	888	743	1,902
—Nonres.	0	0	711
Deposits ($) (3 of 3 banks)	178,247	172,068	155,269
GRAND JUNCTION (1982 pop. 32,082)			
Electric Power (kwh)	19,530	20,650	18,671
Constr. ($)—Res.	0	101	250
—Nonres.	874	63	2,229
Deposits ($) (6 of 6 banks)	343,777	343,013	346,299
GREELEY (1982 pop. 54,063)			
Electric Power (kwh)	26,396	26,488	25,691
Constr. ($)—Res.	831	2,086	1,427
—Nonres.	714	55	61
Deposits ($) (9 of 9 banks)	488,669	492,021	478,495
GUNNISON (1982 pop. 6,031)			
Electric Power (kwh)	3,126	3,416	3,043
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	36
Deposits ($) (2 of 2 banks)	51,995	51,778	47,776
LA JUNTA (1982 pop. 8,338)			
Electric Power (kwh)	4,967	4,260	4,670
Constr. ($)—Res.	0	65	0
—Nonres.	0	7	0
Deposits ($) (2 of 2 banks)	61,189	62,140	53,546

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LOCAL BUSINESS CONDITIONS—Continued

	June 1984	May 1984	June 1983
LAFAYETTE (1982 pop. 10,115)			
Electric Power (kwh)	2,773	3,048	2,558
Constr. ($)—Res.	1,409	1,931	641
—Nonres.	1,265	122	0
Deposits ($) (1 of 1 bank)	19,333	19,006	16,874
LAKEWOOD (1982 pop. 117,436)			
Electric Power (kwh)	58,992	58,720	59,594
Constr. ($)—Res.	11,374	7,532	7,283
—Nonres.	3,915	2,514	160
Deposits ($) (12 of 12 banks)	627,889*	617,700	583,599
LAMAR (1982 pop. 7,793)			
Electric Power (kwh)	6,982	5,432	5,280
Constr. ($)—Res.	70	172	153
—Nonres.	227	0	55
Deposits ($) (2 of 2 banks)	85,463	85,666	82,356
LITTLETON (1982 pop. 30,001)			
Electric Power (kwh)	18,571	17,746	15,896
Constr. ($)—Res.	2,604	2,827	3,934
—Nonres.	6,949	451	364
Deposits ($) (9 of 12 banks)	224,542	221,446	170,131
LONGMONT (1982 pop. 46,313)			
Electric Power (kwh)	25,659	24,566	21,512
Constr. ($)—Res.	3,225	3,902	3,770
—Nonres.	7,573	463	1,720
Deposits ($) (5 of 6 banks)	236,402	233,153	209,056
LOUISVILLE (1982 pop. 6,067)			
Electric Power (kwh)	10,708	10,923	10,061
Constr. ($)—Res.	2,048	1,041	6,417
—Nonres.	334	2,085	0
Deposits ($) (2 of 2 banks)	30,947	31,275	25,526
LOVELAND (1982 pop. 30,962)			
Electric Power (kwh)	20,455	20,554	20,105
Constr. ($)—Res.	1,957	1,761	1,683
—Nonres.	1,945	185	125
Deposits ($) (5 of 5 banks)	169,854	174,056	148,430
MONTROSE (1982 pop. 8,895)[b]			
Constr. ($)—Res.	51	161	197
—Nonres.	0	40	180
Deposits ($) (3 of 3 banks)	120,218	117,366	108,581
NORTHGLENN (1982 pop. 30,980)			
Electric Power (kwh)	11,183	10,691	9,924
Constr. ($)—Res.	120	0	0
—Nonres.	0	0	741
Deposits ($) (2 of 3 banks)	74,536	82,752	68,825
PUEBLO (1982 pop. 99,619)			
Electric Power (kwh)	48,430	45,854	45,676
Constr. ($)—Res.	136	315	435
—Nonres.	0	405	1,095
Deposits ($) (8 of 9 banks)	418,919	413,886	393,570
ROCKY FORD (1982 pop. 4,574)			
Electric Power (kwh)	5,185	4,921	4,853
Constr. ($)—Res.	0	0	0
—Nonres.	0	175	11
Deposits ($) (1 of 2 banks)	14,032	14,090	13,587
SALIDA (1982 pop. 4,478)			
Electric Power (kwh)	1,802	1,631	1,568
Constr. ($)—Res.	0	357	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	40,659	40,237	43,634
STERLING (1982 pop. 11,470)			
Electric Power (kwh)	5,812	6,032	5,344
Constr. ($)—Res.	110	130	53
—Nonres.	0	0	771
Deposits ($) (3 of 3 banks)	147,593	150,685	146,019
THORNTON (1982 pop. 44,130)			
Electric Power (kwh)	16,079	17,676	15,856
Constr. ($)—Res.	3,862	3,989	2,642
—Nonres.	15,531	39	1,250
Deposits ($) (1 of 1 bank)	32,020	35,095	26,744
TRINIDAD (1982 pop. 9,900)			
Electric Power (kwh)	2,851	2,831	2,727
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	59,344	59,940	55,880
WESTMINSTER (1982 pop. 54,995)			
Electric Power (kwh)	24,530	23,221	23,786
Constr. ($)—Res.	5,533	9,438	5,430
—Nonres.	0	0	4,200
Deposits ($) (3 of 3 banks)	114,178	116,583	98,993
WHEAT RIDGE (1982 pop. 31,743)			
Electric Power (kwh)	22,972	22,865	21,342
Constr. ($)—Res.	1,101	3,497	1,316
—Nonres.	67	1,079	3,832
Deposits ($) (2 of 2 banks)	106,862	104,800	91,697

[a]Regional figures.
[b]Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.
Construction figures are valuation of new residential and nonresidential construction only.
Deposit figures are total deposits in commercial banks as of last day of month.
n.r.—not reported
*—preliminary data
r—revised data

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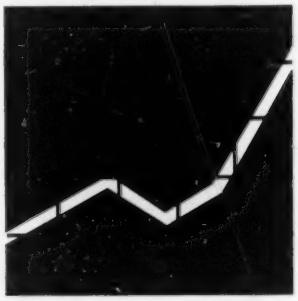

Colorado Business Review

BUSINESS RESEARCH DIVISION • GRADUATE SCHOOL OF BUSINESS ADMINISTRATION • UNIVERSITY OF COLORADO

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Volume LVII, Number 11, November 1984

Taking the Entrepreneurial Plunge

Roger H. Ford and Warren Keith Schilit

A great deal of attention has been given lately to excellent managers, successful entrepreneurs, and well run companies. Some of these success stories and formulas for duplicating them can be found in such recent best-sellers as Peters and Waterman's *In Search of Excellence*, Pascale and Athos' *The Art of Japanese Management*, and Ouchi's *Theory Z*.

These writings, however, deal exclusively with cases where success and excellence are found in established firms and existing managerial situations. The literature lacks discussions as to how this accumulated wisdom can be tapped by aspiring entrepreneurs. What has been learned that could be useful to the countless would-be entrepreneurs who have not yet committed themselves to the pursuit of their American Dream? If you are considering embarking on a new venture, are you satisfied that you know what you're getting into, and that you are prepared to deal with the endless business contingencies as they develop?

The following guidelines have been prepared from the authors' experience in their own businesses, as well as from extensive research in the area of entrepreneurship. They are intended to assist anyone who is considering starting a new business or buying an existing one. The guidelines, and the flow chart which follows, should be used as a checklist of early warning signals for consideration before taking the entrepreneurial plunge.

Know yourself

Be sure your expectations match your potential realizations. Ask yourself what your motivation is for starting a business. If you simply want to own your own firm so that you can attend Chamber of Commerce functions, then don't complain if that's all you get. From our experience, few new firms are destined to become big cash and profit generators. Decide what you expect out of the business, and then check to see if it is poised to be the kind of business you want it to be. With a little research you should be able to forecast the potential revenue (and profits) you can generate given such factors as total industry demand, location, plant capacity or store size, demographics, and projected market share. Don't expect naively that a 1,000-square-foot ice cream parlor will generate the same sales as a McDonald's franchise.

Be prepared to adjust your priorities

Anyone who has not run his or her own business cannot fully anticipate how radically the business can change one's life's priorities. Working for someone else or a public corporation allows endless methods of passing the buck for a creative employee. Even middle and upper level managers are selective about the type of assignments they choose to take home for the weekend.

When you're the boss, your telephone is fair game 24 hours a day, 7 days a week for anything from an irate customer whose $100 order was short to the banker who has decided to call in your credit line. There is no one else up there to worry about the multitude of potential problems when it's your business.

Roger H. Ford and Warren Keith Schilit are with the School of Management, Syracuse University, Syracuse, New York.

Build connecting links with the business environment

Chances are that you already have some contacts in your industry if you are seriously considering starting a new venture. Take steps to develop further this network by visiting trade shows, joining professional associations, giving speeches, meeting the buyers, vendors, and even competitors. Also be sure to read the trade journals for your industry. You will find that these connecting links will be a rich source of information and contacts to help you get started and to grow. The network you build will become a surrogate for the resources you may lack in such areas as knowledge capital, equipment, and personnel.

Develop a comprehensive business plan

During the formative years of most new companies, planning is only in the mind of the owner. It is an extremely useful exercise to take these ideas out of your head and state them on paper before you start.

Develop your ideas into a comprehensive strategic plan covering such areas as your sales forecast, plant and equipment requirements, human resource needs, and a five-year cash flow projection. Of course, be sure to state exactly what you intend to offer the marketplace and why you feel there is a demand for your product or service.

The business plan is essential even in the preliminary stage of your business development for two important reasons. First, it will be requested by bankers, the Small Business Administration or venture capitalists when you attempt to obtain outside financing. Bankers love reports with neatly typed rows and columns of numbers. In addition, the plan will serve as a guide for your business' subsequent activity. As you get started you'll discover that a well-prepared plan can be a great device to attract good people and to keep them motivated.

Do you need a partner?

In some circumstances you should consider taking a partner. Certain types of ventures run smoothest as a sole proprietorship—for example, a small to medium sized retail outlet. Other more ambitious projects may be better

started with one or more partners, such as a new manufacturing operation requiring several diverse types of managerial skills.

In deciding whether to take on partners or to hire additional management as needed, consider the nature of your product. If you are going to require top-notch talent with skills that you lack, such as a design engineer, it may make sense to find one and start out as a partnership. On the other hand, if you feel qualified to deal with most of the key decisions yourself (as in a retail outlet where you have a good deal of experience), avoid the potential conflicts of a partnership and enter the business alone.

Should you decide to start out as a partnership, consider the following key criteria:

(1) What does the partner "bring to the table?" Each principal should be bringing substantial resources (talent) to the organization. It's not good enough to make someone a partner simply because you can't afford salaries or because the individual can make a minor or temporary contribution.

(2) Does the partner share your values and goals for the new venture? Don't make the common error of starting a partnership only to have to dissolve it in its infancy because you did not see eye-to-eye on the firm's mission.

(3) Make certain you're compatible. View a partnership as you would a marriage. You're going to be spending a tremendous amount of time together (maybe more than a husband and wife), so be sure you get along well enough to be able to put up with each other during the day-to-day operations. There is a danger, however, in having partners who are too compatible. As one very successful entrepreneur we know likes to say, "Whenever two people always think alike, one of them isn't needed."

Be sure you have adequate capital

One of the major reasons for failure in the first year is lack of capital. Most new businesses underestimate the amount of cash necessary to reach a break-even point and positive cash flow. More than likely your own savings, plus that which you can obtain from friends and relatives, will be inadequate to get your business established. Make contacts early with a commercial banker and an accountant who can help you identify outside sources of debt financing and venture capital.

Don't throw away your equity

In the rush to get the new business started, many entrepreneurs eagerly accept funding from venture capitalists, leaving the entrepreneur with a minority equity position in the firm. This should be the last resort when capitalizing your venture. While many entrepreneurs view equity financing as a "free loan," in reality it comes with many strings attached, often including loss of control of the business.

Giving 51% or more to an outside investor group means that your operation's autonomy could be cut short by merger, consolidation, or liquidation. Further, you could be fired and replaced. If venture capital seems to be the only way to make your dream a reality, protect yourself with specific employment and operations contracts, ensuring that you maintain control of the business's development.

Develop a marketing orientation

Before you invest a dime on your product or service, get close to your targeted customers to find out what they actually need and want from you. As you get started try to spend 10 to 20% of your time meeting your key prospects. If you lack a sales and marketing background, get someone on your management team that has this experience. Having a director of marketing and sales will also give you added credibility as you attempt to obtain outside financing.

Be prepared to delegate authority

Whether you start as a partnership or hire all your human resources, eventually you'll have to delegate some decision-making power. Naturally you're the one who had the talent and insight to get the business started, but as the business grows it will be physically impossible for you to make all the important decisions yourself. Plan for that eventuality by hiring people with a diverse set of backgrounds in whom you have confidence. Learn to delegate gradually, and you will be developing your future managers at the same time. Remember that people tend to support what they help to create. Therefore, sharing power will help motivate your employees.

Understand that good performance isn't cheap

A certain amount of turnover is inevitable in any business; people leave organizations for many reasons. However, you should be able to control departures for financial reasons. You probably won't be able to offer attractive compensation plans in the beginning, but key people can be attracted by other means. One or two people with critical skills might be offered an equity position or even a partnership, as suggested above. Others can be attracted and held by contracts offering future bonuses, less expensive benefits which are untaxed (such as health insurance), and even limited stock options. You can't expect to build a good company without good people, so be prepared to use your creativity, as well as income, to attract and keep them.

Recognize the risk of failure

Finally, a clear understanding of the risks involved should precede any attempt to begin a new venture. Roughly 50% of all new businesses formed in the United

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States fail their first year in operation. The actual rate of failure has been a widely debated topic for over a decade. It is clear, however, that many businesses fail in their first few years of operation. Others, while not actually bankrupt, will liquidate due to the owner's dissatisfaction with returns or other problems associated with business ownership. This question is much more pertinent if you are considering giving up a position in a successful career to pursue your venture. We're not suggesting that you shouldn't take risks. Just be sure that you take only intelligent risks.

SUMMARY

This set of guidelines is by no means exhaustive, nor will it ensure success. By following these guidelines, however, an aspiring entrepreneur might avoid some of the pitfalls commonly experienced by other entrepreneurs. Figure 1 may help you address the key questions that must be asked before starting your new business. When you can satisfy all the questions through the steps, then maybe you should take the entrepreneurial plunge. If you are concerned about the implications of any of the guidelines, however, perhaps your venture needs additional thought before you commit yourself.

The risks involved in starting a new venture are enormous, but where there is risk there is also potential for tremendous rewards. Combine your enthusiasm and ideas with a systematic approach utilizing the above guidelines and you should be better prepared to face the challenge of entrepreneurship.

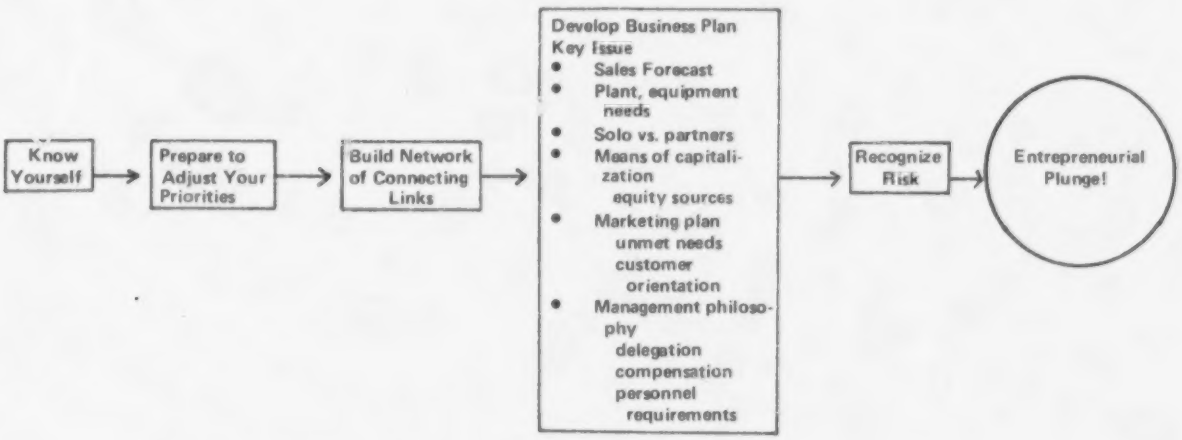

FIGURE 1

FLOW CHART FOR THE ASPIRING ENTREPRENEUR

COLORADO BUSINESS REVIEW TO CEASE PUBLICATION

The *Colorado Business Review* will discontinue publication with the December 1984 issue. The *Review* has had a long and distinguished record in providing the business and academic communities with research, statistical data, and articles. When the publication started it was one of the few sources of business and economic data in the state. But just as the Colorado economy has changed and expanded so has the number of publications and space devoted to business conditions. No reader needs to be in the dark about conditions with the many sources currently available.

Most of the statistical research and data included in the *Review* is being collected and published by other agencies and generally on a more current basis. The availability of alternative sources and publications, budget considerations, and personnel changes make this an appropriate time to discontinue the *Review*.

COLORADO BUSINESS INDICATORS
(Figures in Thousands Unless Otherwise Indicated)

	July 1984	June 1984	July 1983	Percent Change July 1984 from June 1984	Percent Change July 1984 from July 1983
Total Civilian Labor Force (by place of residence)[a]	1,743.2	1,743.3	1,692.6r	- 0.0	3.0
Unemployment	85.2	87.5	102.9	- 2.6	-17.2
Unemployment Rate (percent)	4.9	5.0	6.1	—	—
Employment	1,658.0	1,655.8	1,589.7	0.1	4.3
Nonagricultural Wage and Salary	1,608.4	1,609.4	1,539.4	- 0.1	4.5
Agricultural	49.6	46.4	50.3	6.9	- 1.4
Total Nonagricultural Wage and Salary Employment (by place of work)[a]	1,359.3	1,369.2	1,322.3	- 0.7	2.8
Mining	37.6	37.6	37.4	0.0	0.5
Metallic Minerals	6.9	6.9	5.8	0.0	19.0
Bituminous Coal, Lignite, and Nonmetallic	5.5	5.3	4.8	3.8	14.6
Oil and Gas Extraction	25.2	25.5	26.9	- 1.2	- 6.3
Contract Construction	89.3	88.4	86.1	1.0	3.7
Manufacturing	189.9	188.5	181.7	0.7	4.5
Lumber, Wood Products, and Furniture	6.2	6.4	6.4	- 3.1	- 3.1
Stone, Clay, Glass, and Concrete Products	10.1	10.1	9.3	0.0	8.6
Primary and Fabricated Metals	15.0	15.0	14.2	0.0	5.6
Machinery, Except Electrical	29.1	28.9	26.4	0.7	10.2
Electric and Electronic Equipment	19.8	20.0	19.3	- 1.0	2.6
Transportation Equipment	15.6	15.3	13.6	2.0	14.7
Other Durable Goods	27.8	27.7	28.1	0.4	- 1.1
Food and Kindred Products	24.5	23.7	24.6	3.4	- 0.4
Textiles and Apparel	3.2	3.2	3.0	0.0	6.7
Paper and Allied Products	2.2	2.2	2.0	0.0	10.0
Printing and Publishing	19.7	19.5	18.8	1.0	4.8
Chemicals and Allied Products	8.4	8.4	7.8	0.0	7.7
Other Nondurable Goods	8.2	8.1	8.0	1.2	2.5
Finance, Insurance, and Real Estate	89.2	88.6	87.0	0.7	2.5
Banking	22.3	22.3	22.3	0.0	0.0
Credit Agencies Other than Banks	15.1	14.8	14.7	2.0	2.7
Insurance Carriers, Agents, and Brokers	21.4	21.3	20.8	0.5	2.9
Real Estate and Combination Offices	22.7	22.4	22.2	1.3	2.3
Other Finance, Insurance, and Real Estate	7.7	7.8	7.1	- 1.3	8.5
Transportation and Public Utilities	86.3	85.9	85.9	0.5	0.5
Railroad Transportation	5.8	6.0	5.9	- 3.3	- 1.7
Trucking and Warehousing	17.1	17.1	16.7	0.0	2.4
Air Transportation	15.4	15.1	15.5	2.0	- 0.7
Other Transportation	6.8	6.7	6.6	1.5	3.0
Communications, Electric, Gas, and Sanitary Services	41.2	41.1	41.2	0.2	0.0
Trade	336.1	335.3	326.8	0.2	2.9
Wholesale Trade	80.0	79.9	79.0	0.1	1.3
Retail Trade	256.1	255.4	247.8	0.3	3.4
Services	300.0	299.8	289.5	0.1	3.6
Lodging and Combination Lodging/Eating Places	26.6	26.2	26.1	1.5	1.9
Personal Services	15.1	15.2	14.6	- 0.7	3.4
Business Services	60.1	60.3	56.0	- 0.3	7.3
Auto and Miscellaneous Repair Services	14.8	14.7	14.3	0.7	3.5
Amusements and Recreation	18.4	17.8	18.7	3.4	- 1.6
Health Services	75.7	76.0	75.0	- 0.4	0.9
Educational Services	10.0	10.5	8.7	- 4.8	14.9
Membership Organizations	22.0	21.8	21.2	0.9	3.8
Other Services	57.4	57.2	54.9	0.4	4.6
Government	230.9	245.1	227.9	- 5.8	1.3
Federal	53.1	52.8	53.2	0.6	- 0.2
State	51.7	53.2	49.9	- 2.8	3.6
Local	126.1	139.0	124.8	- 9.3	1.0

	July 1984	June 1984	July 1983	Percent Change July 1984 from June 1984	Percent Change July 1984 from July 1983
Average Weekly Hours					
Construction	39.5	39.5	39.3	0.0	0.5
Manufacturing	40.9	41.0	40.0	- 0.2	2.3
Durable Goods	41.4	41.5	40.5	- 0.2	2.2
Nondurable Goods	40.1	40.2	39.1	- 0.3	2.6
Average Weekly Earnings ($)					
Construction	513.10	515.08	521.90	- 0.4	- 1.7
Manufacturing	382.01	382.94	360.00	- 0.2	6.1
Durable Goods	395.37	395.91	367.33	- 0.1	7.6
Nondurable Goods	360.50	361.80	347.21	- 0.4	3.8
Initial Unemployment Claims (000)	10.9	10.7	14.1	1.9	-22.7
Bankruptcies, All Types (number)	493	494	480	- 0.2	2.7
Total State Revenue ($000)	596,016	737,664	205,895	-19.2	189.5
Total State Expenditures ($000)	200,667	573,492	203,283	-65.0	- 1.3
Crude Oil Production (thous. bbls.)	n.r.	2,508	2,634	—	—
Dry Gas Production (mil. cu. ft.)	n.r.	9,927	9,420	—	—
Coal Production	1,006.9	1,554.8	923.2	-35.2	9.1
New Oil and Gas Wells (number)	n.r.	171	152	—	—
Natural Gas Used (bil. cu. ft.)	5.3	5.7	5.6	- 7.0	- 5.4
Electrical Power Sales (mil. kwh)					
Residential	485.2*	480.6	464.2	1.0	4.5
Nonresidential	1,243.0	1,081.1	1,110.5	15.0	11.9
New Construction, 122 places					
Residential permits (number)	1,895	2,467	2,903	-23.2	-34.7
Residential value ($000)	168,254	186,301	190,956	- 9.7	-11.9
Nonresidential permits (number)	300	250	328	20.0	- 8.5
Nonresidential value ($000)	161,374	125,037	52,569	29.1	207.0
Highway Contractor Payments ($000)	24,204	18,466	11,616	31.1	108.4
Savings and Loan Net New Savings ($000,000)	63.1	49.4	74.0r	27.7	-14.7
National Park Recreational Visits—10 Areas (000)	1,137.2	695.5	1,204.8	63.5	- 5.6
Motor Vehicle Title Applications (000)	85.3	117.8	107.7	-27.6	-20.8
Highway Vehicle Traffic Counts at Border Stations (daily average)	54,418	48,750	50,673	11.6	- 4.0
Air Passengers, Stapleton (000)[b]	2,709	2,651	2,428	2.2	11.6
Air Freight and Air Express, Stapleton (thous. lbs.)	26,225	26,007	29,439	0.8	-10.9
Prices Received by Farmers ($)					
Beef Cattle (per cwt)	64.50	62.90*	61.90	2.5	4.2
Lamb (per cwt)	61.90	55.40*	52.70	11.7	17.5
Wheat (per bu.)	3.17	3.26*	3.12	- 2.8	1.6
Corn (per bu.)	3.32	3.32*	3.30	0.0	0.6
Potatoes (per cwt)	—	7.05*	—	—	—
Wool (per lb.)	.75	.80	.48	- 6.3	56.3

NOTES: An asterisk (*) indicates preliminary data subject to revision.
Revised data are marked (r).
n.r.—not reported.

[a]Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

[b]Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.
Bankruptcies from the Office of the Federal Referee in Bankruptcy.
State Revenue and Expenditures from the State Controller's Office.
Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.
Coal Production from Colorado State Coal Mine Inspection Department.
Natural Gas Used from Colorado Interstate Gas Company.
Electrical Power Sales from 17 individual companies.
New Construction from Bureau of the Census, U.S. Department of Commerce.
Highway Contractor Payments from the Colorado Highway Department.
Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.
Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.
Recreational Visits from National Park Service, Denver.
Highway Traffic counts from Colorado Highway Department.
Air Passengers, Freight, and Express from Stapleton International Airport Business Office.
Prices Received by Farmers from U.S. Department of Agriculture.

LOCAL BUSINESS CONDITIONS
(All Figures in Thousands)

	July 1984	June 1984	July 1983
ALAMOSA (1982 pop. 7,182)			
Electric Power (kwh)	3,027	2,997	2,681
Constr. ($)—Res.	n.r.	40	60
—Nonres.	n.r.	60	0
Deposits ($) (2 of 2 banks)	52,267	51,015	52,271
ARVADA (1982 pop. 91,262)			
Electric Power (kwh)	28,331	26,846	26,009
Constr. ($)—Res.	3,166	3,836	3,228
—Nonres.	3,762	158	4,671
Deposits ($) (4 of 5 banks)	126,291	123,203	109,215
ASPEN (1982 pop. 4,081)			
Electric Power (kwh)	2,701	2,465	2,616
Constr. ($)—Res.	956	251	531
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	78,510*	77,772*	93,406
AURORA (1982 pop. 178,665)			
Electric Power (kwh)	101,589	86,837	83,486
Constr. ($)—Res.	27,614	15,148	20,068
—Nonres.	15,030	7,247	1,495
Deposits ($) (13 of 16 banks)	329,741	324,450	285,106
BOULDER (1982 pop. 80,651)			
Electric Power (kwh)	65,093	55,787	57,560
Constr. ($)—Res.	2,683	4,459	3,901
—Nonres.	475	3,780	1,499
Deposits ($) (10 of 10 banks)	624,773	578,318	585,554
BRIGHTON (1982 pop. 13,239)			
Electric Power (kwh)	5,330	4,808	4,526
Constr. ($)—Res.	262	235	187
—Nonres.	172	225	0
Deposits ($) (2 of 2 banks)	75,601	71,280	63,196
BROOMFIELD (1982 pop. 22,452)			
Electric Power (kwh)	10,953	10,300	8,744
Constr. ($)—Res.	4,782	1,512	526
—Nonres.	0	155	1,371
Deposits ($) (2 of 2 banks)	70,834	69,396	60,811
CANON CITY (1982 pop. 13,576)			
Electric Power (kwh)	23,670	22,985	23,890
Constr. ($)—Res.	155	139	131
—Nonres.	0	50	0
Deposits ($) (3 of 3 banks)	119,227	115,960	108,657
COLORADO SPRINGS (1982 pop. 230,553)			
Electric Power (kwh)	182,948	169,218	162,267
Constr. ($)—Res.[a]	25,066	32,061	23,301
—Nonres.	56,568	26,107	6,031
Deposits ($) (18 of 21 banks)	1,193,669	1,173,992	1,046,925
COMMERCE CITY (1982 pop. 16,412)			
Electric Power (kwh)	26,569	27,221	31,613
Constr. ($)—Res.	0	321	339
—Nonres.	999	0	340
Deposits ($) (1 of 1 bank)	31,731	30,845	26,355
CORTEZ (1982 pop. 7,489)			
Electric Power (kwh)	3,536	3,492	3,429
Constr. ($)—Res.	147	76	112
—Nonres.	60	337	0
Deposits ($) (3 of 3 banks)	101,068	100,744	93,148
CRAIG (1982 pop. 10,000)			
Electric Power (kwh)	3,692	3,862	3,697
Constr. ($)—Res.	0	0	0
—Nonres.	5	0	0
Deposits ($) (2 of 2 banks)	65,731	61,069	62,342

	July 1984	June 1984	July 1983
DENVER (1982 pop. 500,600)			
Electric Power (kwh)	362,366	342,716	348,066
Constr. ($)—Res.	16,243	30,061	19,671
—Nonres.	4,757	16,850	3,396
Deposits ($) (45 of 48 banks)	7,385,218*	7,434,079*	7,174,334
DURANGO (1982 pop. 12,276)			
Electric Power (kwh)	n.r.	n.r.	6,361
Constr. ($)—Res.	264	343	1,478
—Nonres.	2	117	90
Deposits ($) (4 of 4 banks)	156,153	153,292	135,512
ENGLEWOOD (1982 pop. 30,555)			
Electric Power (kwh)	23,938	22,222	21,805
Constr. ($)—Res.	161	179	210
—Nonres.	1,469	81	98
Deposits ($) (10 of 14 banks)	463,721*	491,914	412,707
ESTES PARK (1982 pop. 2,934)			
Electric Power (kwh)	5,166	4,673	4,967
Constr. ($)—Res.	78	420	73
—Nonres.	0	0	211
Deposits ($) (2 of 2 banks)	45,234	41,987	42,774
FORT COLLINS (1982 pop. 68,307)			
Electric Power (kwh)	39,343	42,767	42,239
Constr. ($)—Res.	5,626	5,702	4,522
—Nonres.	9,493	2,118	1,906
Deposits ($) (9 of 9 banks)	457,592	466,377	399,619
FORT MORGAN (1982 pop. 8,913)			
Electric Power (kwh)	8,204	7,301	8,189
Constr. ($)—Res.	75	78	22
—Nonres.	32	0	0
Deposits ($) (3 of 3 banks)	107,319	105,708	96,562
GLENWOOD SPRINGS (1982 pop. 5,000)			
Electric Power (kwh)	5,734	4,861	5,053
Constr. ($)—Res.	0	256	0
—Nonres.	0	0	0
Deposits ($) (4 of 4 banks)	141,846	136,144	129,533
GOLDEN (1982 pop. 13,109)			
Electric Power (kwh)	6,621	5,970	5,728
Constr. ($)—Res.	633	888	644
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	178,985	178,247	156,501
GRAND JUNCTION (1982 pop. 32,082)			
Electric Power (kwh)	21,331	19,530	20,713
Constr. ($)—Res.	0	0	320
—Nonres.	0	874	116
Deposits ($) (6 of 6 banks)	338,020	343,777	339,897
GREELEY (1982 pop. 54,063)			
Electric Power (kwh)	28,512	26,396	28,468
Constr. ($)—Res.	859	831	1,087
—Nonres.	597	714	2,172
Deposits ($) (9 of 9 banks)	493,501	488,669	488,870
GUNNISON (1982 pop. 6,031)			
Electric Power (kwh)	3,313	3,126	3,259
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	54,049	51,995	48,489
LA JUNTA (1982 pop. 8,338)			
Electric Power (kwh)	5,832	4,967	5,680
Constr. ($)—Res.	0	0	0
—Nonres.	941	0	0
Deposits ($) (2 of 2 banks)	58,960	61,189	55,583

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Graduate School
of Business Administration
Campus Box 420
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LOCAL BUSINESS CONDITIONS—Continued

	July 1984	June 1984	July 1983
LAFAYETTE (1982 pop. 10,115)			
Electric Power (kwh)	2,955	2,773	2,637
Constr. ($)—Res.	718	1,409	857
—Nonres.	367	1,265	18
Deposits ($) (1 of 1 bank)	n.r.	19,333	16,851
LAKEWOOD (1982 pop. 117,436)			
Electric Power (kwh)	62,134	58,992	57,386
Constr. ($)—Res.	2,052	11,374	3,845
—Nonres.	1,802	3,915	715
Deposits ($) (12 of 12 banks)	584,010*	627,889*	580,218
LAMAR (1982 pop. 7,793)			
Electric Power (kwh)	7,815	6,982	782
Constr. ($)—Res.	54	70	84
—Nonres.	151	227	38
Deposits ($) (2 of 2 banks)	87,280	85,463	82,137
LITTLETON (1982 pop. 30,001)			
Electric Power (kwh)	19,764	18,571	16,879
Constr. ($)—Res.	n.r.	2,604	3,853
—Nonres.	6,949	451	364
Deposits ($) (9 of 12 banks)	228,399	224,542	176,880
LONGMONT (1982 pop. 46,313)			
Electric Power (kwh)	24,821	25,659	22,606
Constr. ($)—Res.	3,686	3,225	2,719
—Nonres.	2,743	7,573	424
Deposits ($) (5 of 6 banks)	239,071	236,402	206,691
LOUISVILLE (1982 pop. 6,067)			
Electric Power (kwh)	2,990	10,708	9,859
Constr. ($)—Res.	2,822	2,048	5,846
—Nonres.	403	334	0
Deposits ($) (2 of 2 banks)	31,567	30,947	26,914
LOVELAND (1982 pop. 30,962)			
Electric Power (kwh)	20,499	20,455	22,208
Constr. ($)—Res.	2,848	1,957	3,219
—Nonres.	1,316	1,945	603
Deposits ($) (5 of 5 banks)	172,287	169,854	151,173
MONTROSE (1982 pop. 8,895)[b]			
Constr. ($)—Res.	165	51	318
—Nonres.	500	0	34
Deposits ($) (3 of 3 banks)	125,880	120,218	110,788
NORTHGLENN (1982 pop. 30,980)			
Electric Power (kwh)	11,572	11,183	10,897
Constr. ($)—Res.	n.r.	120	0
—Nonres.	n.r.	0	3,948
Deposits ($) (2 of 3 banks)	78,584	74,536	71,341
PUEBLO (1982 pop. 99,619)			
Electric Power (kwh)	53,251	48,430	51,403
Constr. ($)—Res.	208	136	493
—Nonres.	820	0	206
Deposits ($) (8 of 9 banks)	323,548*	418,919	394,226
ROCKY FORD (1982 pop. 4,574)			
Electric Power (kwh)	6,063	5,185	5,928
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (1 of 2 banks)	14,284	14,032	14,241
SALIDA (1982 pop. 4,478)			
Electric Power (kwh)	1,755	1,802	1,383
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	41,599	40,659	40,461
STERLING (1982 pop. 11,470)			
Electric Power (kwh)	6,427	5,812	6,300
Constr. ($)—Res.	0	110	0
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	148,878	147,593	143,524
THORNTON (1982 pop. 44,130)			
Electric Power (kwh)	17,107	16,079	15,907
Constr. ($)—Res.	3,537	3,862	2,460
—Nonres.	793	15,531	1,293
Deposits ($) (1 of 1 bank)	31,604	32,020	27,381
TRINIDAD (1982 pop. 9,900)			
Electric Power (kwh)	2,754	2,851	2,866
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	60,260	59,344	57,137
WESTMINSTER (1982 pop. 54,995)			
Electric Power (kwh)	21,006	24,530	20,119
Constr. ($)—Res.	5,128	5,533	9,402
—Nonres.	4,920	0	500
Deposits ($) (3 of 3 banks)	120,558	114,178	100,717
WHEAT RIDGE (1982 pop. 31,743)			
Electric Power (kwh)	25,754	22,972	24,038
Constr. ($)—Res.	253	1,101	1,167
—Nonres.	604	67	273
Deposits ($) (2 of 2 banks)	107,510	106,862	90,917

[a] Regional figures.
[b] Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.
Construction figures are valuation of new residential and nonresidential construction only.
Deposit figures are total deposits in commercial banks as of last day of month.
n.r.—not reported
*—preliminary data
r—revised data

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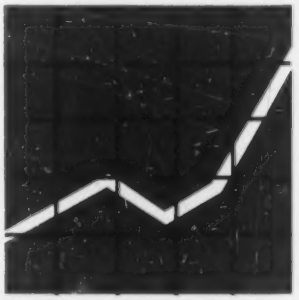

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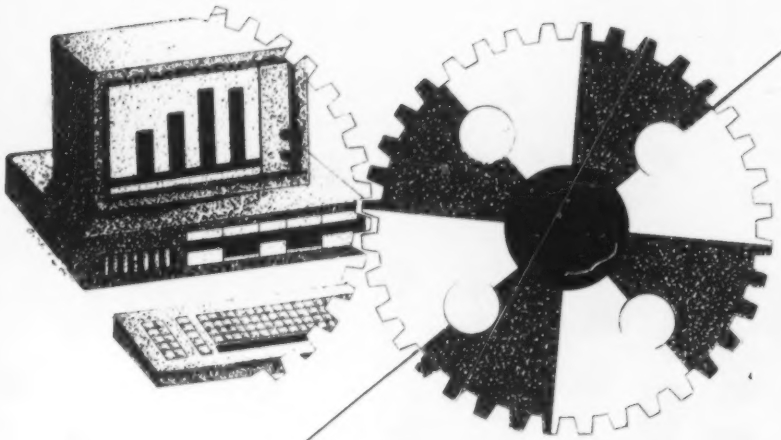

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Twentieth Annual Colorado Business/Economic Outlook

Gerald L. Allen

Editor's Note: This article presents a summary of the Twentieth Annual Colorado Business/Economic Outlook Forum, jointly sponsored by the University of Colorado, College of Business and Administration; the Division of Commerce and Development, Colorado Department of Local Affairs; and the Denver Chamber of Commerce, which took place December 10, 1984, at the Brown Palace Hotel in Denver. To give credit to all those business and government leaders whose efforts made the forum a reality would be too lengthy an undertaking, but special mention should be accorded to forum narrators John F. Chandler, Vice President of Public Affairs, Colorado Interstate Gas Co., Colorado Springs, and Donald L. Stevens, Resident Dean and Professor of Finance, College of Business and Administration, University of Colorado, Denver; to Outlook speakers Timothy W. Schultz, Commissioner, Colorado Department of Agriculture and E. Reed Turnquist, Vice President, Mountain Bell; and to forum director, Gerald L. Allen, Research Economist, Business Research Division, University of Colorado.

Planning for the Outlook Forum began in September when more than 60 business, education and government leaders were invited to participate. Members were split into 13 groups, each one representing a major economic sector. Forecasts were prepared using an extrapolation of historical trends and these were modified by several factors: (1) extensive field survey work was done through telephone contacts with key Colorado business and industry leaders for their expectations, (2) the expert knowledge and judgment of committee members was considered, and (3) known or expected economic changes affecting certain industrial sectors within the state were incorporated.

U.S. ECONOMIC OUTLOOK

The U.S. economic expansion celebrated its second birthday in November. Even with slower growth in the second half of 1984, large gains were recorded for the year in gross national product, personal income, employment, retail sales and home building.

Gross National Product (GNP), in constant dollars increased 6.9 percent in 1984. The GNP deflator registered 3.8 percent in 1984. The U.S. unemployment rate declined from 9.6 percent in 1983 to the current annual rate of 7.5 percent.

A slower but sustainable rate of growth seems to be the most likely outcome in 1985 with real GNP gaining 3.4 percent. The GNP deflator is estimated to be about 4.3 percent for 1985. The unemployment rate will remain around 7 percent. With the leveling off of housing, autos, and business fixed investment, coupled with slower overall economic growth and a leveling in fiscal stimulus, a downturn in the national economy could be realized by late 1985 or early 1986.

REVIEW OF 1984

A brief review of Colorado's employment growth in 1984 will provide the basis for 1985. The current expansion has been exceptionally strong in Colorado. Colorado continues to be among the fastest growing states in the nation. What is so impressive about the current expansion is that the growth, with the exception of agriculture and mining, is pervasive throughout all the sectors. Trade is extremely strong. Services are strong along with manufacturing. Construction activity is up sharply. Even government employment, after declining for several years due to budget constraints, has started to grow once again. Total nonagricultural wage and salary employment recorded a robust growth of 43,500 jobs in 1984. This is nearly on target with the 46,200 increase originally projected by the forum committee last year.

POPULATION, LABOR FORCE AND PERSONAL INCOME

Population growth in Colorado has been produced by substantial net in-migration and by an age composition that favors a higher rate of natural increase. Migration has been both a cause and a catalyst in accommodating the high rate of employment growth that Colorado has been experiencing. The United States population growth rate has averaged less than 1.0 percent a year during the 1980s. Colorado's rate of population growth of 2.3 percent continues to far exceed the national rate. Colorado's population is expected to reach 3.3 million in 1985.

Colorado's labor force is projected to reach nearly 1.8 million in 1985, a growth of 3.1 percent. Total employment will reach a new high of 1,681,000 in 1985, an increase of 54,000 over 1984. The number of unemployed in 1985 is estimated to be 87,000 persons, Colorado's unemployment rate will drop to an estimated annualized rate of 4.9 percent in 1985, compared with 5.1 percent for this year.

The nation's rate of increase in personal income will be approximately 9.3 percent in current dollars in 1985. Gains in Colorado's personal income over the past decade have been above the national average. Personal income, after registering a gain of 9.6 percent in 1984, will advance by 10.3 percent in 1985 and approach the $50 billion level. Per capita income in Colorado should reach $14,746 in 1985, an increase of $1,075 over 1984.

AGRICULTURE

It is estimated that the 1985 Colorado agriculture industry (farm inputs, production, and food manufacturing and distribution) will account for some $9.7 billion in sales. The relative value of the different segments of Colorado's agricultural industry show that production agriculture will contribute $3.2 billion in total cash receipts. Farm inputs, which provide the feeds, seeds, fertilizer, machinery, etc., to the producers, will in 1985 account for an additional $3.2 billion. Food manufacturing and distribution, which consist of slaughterhouses, grain dealers, bakeries, millers, etc., will add another $3.3 billion to Colorado's overall economy.

The production agriculture segment, which consists of grain farmers, livestock producers, dairies, fruit and vegetable producers, will account for $3.2 billion in total cash receipts in 1985—an increase of 3.2 percent over 1984. The crops component is predicted to grow 6 percent in 1985 with cash receipts totalling $955 million. This is due to marketing of the large 1984 crop production, even though prices will remain low. A decrease in government payments to $40 million can be expected, as many of our state's larger farmers opt to ignore a less than enticing farm program.

Farm income of $2.2 billion will come from the livestock industry. Livestock, the largest part of agricultural production, will show a modest increase of 3.7 percent over 1984. Most of this will come from somewhat higher prices as the number of animals marketed will remain level. Profit margins, where they exist, will continue to be slim.

While the realized gross farm income has risen by a modest amount to $3.5 billion, production expenses have increased nearly the same amount, leaving the realized net farm income at $335 million, an increase of just $8 million, or 2.4 percent. The major portion of realized net farm income will result from non-money income (products grown and consumed on farms and the value of housing provided by farm dwellings). If non-money income was removed, net income in 1985 would be only $75 million.

MINING

The mining industry has been in the doldrums for the past three years. The outlook remains uncertain for this industry. It presently employs only about 2.6 percent of the nonagricultural workers in the state.

Mining employment was the state's fastest growing employment sector, percentagewise, between 1976 and 1981. The industry's employment is projected to decline slightly in 1985. Employment in coal mining may drop most significantly as Colorado coal continues to be uncompetitive outside the state because of high transportation and production costs.

The most important event in Colorado's metal mining employment in 1984 was the reopening of the state's two large molybdenum mines. Future prospect for this metal is closely tied to the nation's steel industry output.

The largest employer in the mining sector is the oil and gas segment which is expected to continue to decline slightly in employment as demand for these products continues to lag. Colorado's substantial natural gas reserves

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John Young

Gerald Allen

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with low development costs are particularly attractive to small companies. Total natural gas production is expected to reach 176 billion cubic feet in 1985.

Colorado continues to offer the independent exploration company an opportunity to find small oil and gas fields. Drilling costs are still a bargain as well as services and supplies. Crude oil production will decline slightly in 1985 with 26.8 million barrels being projected.

A continuing decline in coal output is projected for 1985 with an estimated 15.5 million tons being produced. Several large users contracts for Colorado coal will expire soon and these are not expected to be renegotiated.

MANUFACTURING

Nearly one-third of all manufacturing jobs in Colorado are in high technology areas such as computers, peripherals, component manufacturing, aerospace, scientific instrumentation and medical electronics. Nationally only about 14 percent of all manufacturing jobs are in these areas. Since these segments tend to grow more rapidly during business cycle expansions and tend to be less cyclical during business cycle contractions, this group is certainly a positive attribute to the state's economy.

During 1984, manufacturing employment was up over 4 percent. Manufacturing is about 14 percent of the wage and salary employment in the state. Total manufacturing employment for 1985 is projected to grow 3.3 percent to a total of 193,400 jobs, an increase of 6,100 jobs.

The nondurables goods manufacturing employment is expected to experience an increase of almost 5 percent in 1985. Printing and publishing and chemicals are up in the 10 percent and 7 percent ranges respectively.

Durable goods manufacturing increased 5 percent in 1984 and will grow another 2.5 percent in 1985. Colorado's durable goods manufacturing is in a considerably better situation than in states which have a higher percentage of durables manufacturing heavily related to autos, appliances, home furnishings or other consumer durables.

CONSTRUCTION

As in any rapidly growing area, construction is an important component of the economy and Colorado has done very well in this sector. Even with a slowdown in home building activity projected for 1985, an increase in nonresidential building should keep this sector from registering any significant decline.

There were 87,600 workers employed in Colorado's construction sector this year. A decline of 800 jobs is projected for 1985, but is not expected to be a major drag on the economy.

In 1985, the total value of construction in Colorado is estimated to be $4.7 billion. This is a decline of less than 5 percent. Nonbuilding construction for 1985 is projected to remain nearly level with a total of $529 million. Nonresidential building will rise slightly in 1985 for a total of $1.85 billion. The value of residential construction statewide is estimated to be over $2.3 billion in 1985. With the short-term drop in interest rates and the underlying demand for housing, the state is estimated to have building permits for nearly 42,000 housing units in 1985.

TRANSPORTATION, COMMUNICATIONS AND PUBLIC UTILITIES

The transportation, communications and public utilities sector provides a service to commercial, industrial and consumer markets. With the deregulation of the transportation and communications groups in place, adjustments in employment were necessary. Employment in 1984 returned to near its 1982 level with 85,300 jobs. Employment growth of less than 1 percent is projected for 1985.

Employment growth in the communications and public utilities sectors depends on the residential construction market. The housing sector growth in 1985 appears to be moderate. Employment growth in the utility sector will be small, with only 100 being added annually in both 1984 and 1985 for a total of 12,700 employees in 1985.

Competition and deregulation are the driving forces in today's communications industry. In this period of transition, relocation of resources to faster growing segments and the streamlining of organizations will occur. Communications employment will reach 28,600 in 1985. Transportation services makes up over one-half of the jobs in this sector and only 500 jobs are projected to be added in 1985.

Small package and express service continues to grow which resulted in air freight shipments increasing 2.6 percent to 319 million pounds in 1984. Air passenger traffic gained 10 percent in 1984 with 27.8 million travelers. Motor truck registrations were up less than 1.0 percent in 1984. In 1985, air freight will rise moderately to over 328 million pounds, an increase of 2.8 percent. Airline passengers will be up 5.2 percent in 1985 to 29.2 million. The following factors have contributed to air transportation growth: (1) low fares continue to divert motorists to air travel, (2) continued economic growth has resulted in increased business travel, and (3) projections of a strong ski season will result in increased air passenger traffic. Truck registrations will increase nearly 2 percent in 1985.

Electric power consumption increased 8.6 percent in 1984. In 1985, electric power consumption is projected to increase nearly 4.0 percent to 26.2 million kilowatt-hours.

Energy conservation by commercial and industrial customers will contribute to a reduction of 1.0 percent in natural gas sales for 1985. Natural gas consumption will total 200 billion cubic feet.

FINANCE, INSURANCE AND REAL ESTATE

The financial services industry functions have significantly broadened. The ability to keep abreast of diversification in the face of deregulation will be the primary challenge confronting these institutions in 1985. The trend toward product diversification and control of non-interest expense will further hasten the advent of automation in the financial services area. The net effect of streamlining operations will result in slower growth in employment.

Employment is up nearly 3.0 percent over one year ago in spite of a move to control employment growth. Financial employment will grow by 1,800 new jobs for a total of 90,500 in 1985.

Within the sector, job growth followed divergent paths. Commercial banking, which comprises one-fourth of the

sector's jobs, showed a meager 0.7 percent gain in 1984. U.S. banks have been failing at a rate unmatched since the great depression. To date 75 banks have failed in the U.S., compared with 48 in 1983, and regulators continue to add more banks to their problem lists. A tight cap will be kept on this component's employment growth in 1985, with no new jobs being added.

Insurance employment grew 5.0 percent in 1984 and will gain 2.0 percent in 1985. In the property and casualty sector, competitive pressures have eased, thus allowing premiums to increase and more profitability will be attained. However, the tax reform act of 1984 limited growth in life insurance group plans. Overall, insurance sales will grow a moderate 10 percent in 1985 after a strong 20 percent gain in 1984.

The real estate industry, which also accounts for one-fourth of the sector's base, added less than 1.0 percent to its employment in 1984. Mortgage rates which remain in the 13-14 percent range, local housing prices which are 35 percent above the national average, and an overbuilt multi-family housing sector will hinder the residential real estate market in 1985. Despite the decline in housing starts, they will remain at a high level. Denver's office vacancy rate remains stuck near 25 percent as speculative building continues to boost the available supply of space. A three to four year supply of office space is on hand in the metropolitan Denver area. Nevertheless, demand for office space remains robust. Vacancy rates in the retail sector, usually the star of nonresidential construction, are edging up as new space continues to be built; meanwhile, industrial space remains relatively stable. Although real estate will encounter some problems in 1985, the level of building remains strong and this group's employment will rise 2.3 percent in 1985.

Credit agency employment, which includes the savings & loan sector, grew 2.9 percent in 1984, but will slow to 2.6 percent growth in 1985. The other finance group, which is primarily security and commodity brokers, dealers, and investment companies posted the strongest growth with over a 10.0 percent increase in 1984 and is projected to grow 6.4 percent in 1985.

Growth in commercial bank deposits grew in spite of soft loan demand and the high cost of funds which discouraged aggressive competition for funds. Savings & loan deposit growth was welcome given the strong housing recovery of 1983 and 1984. Credit unions continue to grow rapidly as they expand their customer base. Rapid growth in credit union deposits of 18 percent in 1985 will be accommodated by increased automation. Growth in industrial bank deposits was slower in 1984 as there were some significant conversions to commercial bank charters. Nevertheless, industrial bank deposits will grow by 7.4 percent in 1985.

TRADE

The trade sector accounts for the largest number of workers in the state. Trade depends upon continued growth in the state's economic activity, population, personal income and residential and nonresidential construction. The trade sector, which is made up of retail and wholesale, will continue to perform well throughout 1985, although at a somewhat slower pace than seen in 1984. Records in sales and employment will be set by the sector due to continued consumer confidence as well as pent up demand for consumer durables. Trade has experienced a smooth and gradual upward trend in employment since 1975, reaching a total of 353,000 workers in 1985.

The state wholesale and distribution activities continue to grow. Wholesale employment is expected to increase 2.5 percent in 1985 for a total of 81,500. Over three-fourths of the trade employment is in the retail area. Total retail employment will reach 271,500 in 1985 for a gain of 4.4 percent.

Retail sales will increase by 9 percent in 1985, resulting in total sales of $25.9 billion. Wholesalers will also have a 9 percent increase in sales, resulting in total sales of $16.5 billion.

As Colorado's population continues to grow at a faster rate than the country, the trade sector will correspondingly continue to grow. With inflation holding at 5-6 percent and interest rates remaining level, retailers should have another banner year in both sales and employment.

SERVICES

The services sector of the Colorado economy provides two out of every ten jobs in the state. This makes services the second largest employment sector in Colorado. This sector has consistently exceeded the growth rates of total industry employment in Colorado.

Services provided 298,800 jobs in 1984 and will add almost 12,000 new jobs in 1985 for a 3.9 percent increase. Employment trends within services are expected to show varying rates of expansion for the coming year.

The lodging industry is forecast to grow by 5.0 percent in 1985 which is slightly less than the 1984 rate. Lodging employment outside of urban areas is tied closely to the tourism industry.

Business services span a wide range including data processing, advertising, temporary help, building maintenance, public relations, and management consulting. In general, these are areas which are supportive of office-information work as opposed to the physical production of goods. In 1984, when statewide employment increased 3.3 percent, business services increased 8.3 percent. They are estimated to gain 6.0 percent in 1985.

Health services employment grew by 1.2 percent in 1984. In 1985, the growth rate is forecast to be 1.9 percent and while this is a slight improvement it is still under the industry average.

Health care professionals displaced by hospital lay-offs and lack of opportunities in direct patient care will continue to seek employment in other fields, such as data processing, consulting, insurance, and communications. The spectacular growth of the for-profit sector of health care seen in recent years has abated and will stabilize near the present level.

Miscellaneous professional services and all other is a broad category which includes personal services, automobile repairs and miscellaneous repairs, amusements and recreation, including motion pictures, educational, social, and legal services. In 1984, this category accounts for nearly one-half of total services employment.

The overall growth of miscellaneous professional services was 3.5 percent in 1984. Consumer-oriented

sub-sectors will grow as consumer spending grows. Business-oriented firms are being conservative in hiring to meet new business demands. They foresee slow, steady increases in business during 1985. Miscellaneous professional services are expected to expand by 4.0 percent, reaching an employment level of 142,100 jobs in 1985.

TRAVEL, OUTDOOR RECREATION AND CONVENTIONS

The travel, outdoor recreation and conventions industry ranks alongside the basic industries of manufacturing, mining and agriculture as one of the top four contributors to the state economy. The total dollar contribution from all travel, outdoor recreation and conventions to the Colorado economy in 1985 is projected at $4.7 billion, an expected increase of 7.0 percent over 1984.

Visits to national parks, monuments, and recreation areas are forecasted to increase 7.5 percent for a total of 6.0 million visits in 1985. Visitations to state historic museums and sites are projected to increase nearly 4.0 percent in 1985 for a total of 205,600 visitors. Convention visitors will increase over 5.0 percent to 510,000 persons. Total visitors (business, convention and vacation) to the state will increase 3 percent in 1985.

Skier-spending for the 1984-85 season will be $769 million, an increase of 5.2 percent. Convention spending in 1985 will rise 12.7 percent for a total of $291 million. Lodging receipts will total $685 million for a 5.7 percent increase.

Colorado Ski Country USA is projecting 9.0 million lift tickets will be sold in 1984-85, an increase of 5.0 percent. During the 1985-86 season an increase of 3.0 percent in ticket sales is projected for a total of over 9.3 million.

The Colorado ski areas invested more than $53 million in capital improvements in 1984. Nine new lifts and 837 acres of new ski trails were added. Snowmaking is being provided on over 3,000 acres of terrain in Colorado to insure a good base and an extended skiing season.

GOVERNMENT

Government employment has been flat since 1980. This is mainly due to the budgetary restraints that occurred during the recession and the cut-backs and reorganization in the grants-in-aid programs that occurred during the early years of the Reagan administration. It appears that there is some catching up going on and that government employment will be up 1.0 percent in 1984 and 1.5 percent in 1985. Yet the level of growth in government employment will fall below that of private industry.

Continued growth in the state's economic activity will result in government employment moving from 244,400 in 1984 to 248,100 in 1985. Federal government employment in Colorado should grow from 52,900 in 1984 to 53,900 in 1985, an increase of about 2.0 percent. As state revenues rebounded in 1984, state employment moved to its highest level since 1980 with 56,800 workers and is projected to grow about 1.8 percent in 1985 for a total of 57,800.

Greater demands will be made on local government services as the economy continues to grow. This will push local government employment up from 134,700 in 1984 to 136,400 in 1985.

INTERNATIONAL TRADE

The United States continues to lead other countries in the economic recovery from the recent world recession. The overwhelming strength of the dollar coupled with relatively high U.S. interest rates are most commonly recognized as the primary causes of the weakness in our export trade. The strong U.S. dollar also affects export trade from the state of Colorado. While the more sophisticated product sectors of Colorado's exporting base are less affected by price fluctuations, the more traditional industry segments, including agriculture, have experienced either flat sales or at least a lower rate of growth than in preceding years. Colorado exports sales reached $2.4 billion in 1984. Sales are projected to grow to 2.6 billion in 1985. The inclusion of "indirect exports" reflects an apparent increase in export sales from 1983 to 1984 of 19.7 percent. (Indirect exports include products manufactured in Colorado but sold to companies in other states which include them in products they export.)

Agricultural sales were $600 million in 1984 and are estimated to reach $635 million in 1985, an increase of 5.8 percent. The export of manufactured goods is projected to reach another all time high in 1985 of $1.9 billion in sales, an increase of 6.0 percent. The overall growth in jobs attributed to exports will increase 5.3 percent in 1985 for a total of 67,858 jobs. The overall outlook for Colorado exports for 1985 is that real growth is expected to increase but at a diminishing rate.

SUMMARY

There is nothing to suggest that the relationship between the U.S. economy and the Colorado economy has changed. The growth prospects for the Colorado economy are still good.

The 10 year annual average of nonagricultural wage and salary employment has produced 36,560 new jobs yearly. The leading employment sectors have been services, trade, government and manufacturing.

In review, the forum committee estimates 43,500 nonagricultural wage and salary jobs are being added in 1984. This dynamic employment growth was projected by the committee originally in December 1983. The all industry employment gain during 1985 is projected to be near its 10 year average with 36,300 new jobs being added.

Trade will have the largest increase with 13,500 jobs and that is considerably above the average annual growth from 1974-1983 of 9,660 a year. Second is services with 11,800 jobs. This compares favorably with the average 10 year growth rate of 10,580. Manufacturing will be third with 6,100 additional jobs which is over three-fourths more than the average annual growth for the 10 year period.

Keep in mind that basic sectors such as those in agriculture, manufacturing, mining, tourism, international trade and certain segments of construction, are key to Colorado's economy. The rest of the sectors in the state, services, trade, government, finance, transportation, which account for over two-thirds of the state's jobs, are primarily population-related and grow in response to growth in the basic industries.

COLORADO BUSINESS REVIEW TO CEASE PUBLICATION

The *Colorado Business Review* will discontinue publication with this issue. The *Review* has had a long and distinguished record in providing the business and academic communities with research, statistical data, and articles. When the publication started it was one of the few sources of business and economic data in the state. But just as the Colorado economy has changed and expanded so has the number of publications and space devoted to business conditions. No reader needs to be in the dark about conditions with the many sources currently available.

Most of the statistical research and data included in the *Review* is being collected and published by other agencies and generally on a more current basis. The availability of alternative sources and publications, budget considerations, and personnel changes make this an appropriate time to discontinue the *Review*.

BUSINESS RESEARCH DIVISION PUBLICATIONS

DIRECTORY OF COLORADO MANUFACTURERS, by G. L. Allen, 1985, 400pp., $50.

AN IN-DEPTH ANALYSIS AND ECONOMIC IMPACT STUDY OF JEFFERSON COUNTY WITH PROJECTIONS TO 2000, by Gerald L. Allen, 1983, 258pp. $25.

AN ANALYSIS OF THE HIGH TECHNOLOGY INDUSTRY IN COLORADO: PRESENT AND FUTURE TRENDS, by Gerald L. Allen and C. Kenneth Jones, 1981, 67pp., $25.

TRAVEL TRENDS IN THE UNITED STATES AND CANADA, 1984, 262pp., $45.

TOURISM'S TOP TWENTY, 1984, 110pp., $25.

COLORADO SKI INDUSTRY CHARACTERISTICS AND FINANCIAL ANALYSIS (1983-84), by C. R. Goeldner and Karen Duea, 1985, 93pp., $25.

BIBLIOGRAPHY OF SKIING STUDIES, 7th Edition, by C. R. Goeldner and Karen Duea, 1984, 130pp., $15.

COLORADO TRAVEL AND TOURISM STATISTICS, 1985, 50pp., $25.

NSAA ECONOMIC ANALYSIS OF NORTH AMERICAN SKI AREAS (1983-84), by C. R. Goeldner, T. A. Buchman, and K. P. Duea, 139pp., $50.

THE COST OF RECREATION AND LEISURE ACTIVITIES, by Cindy Guernsey, 1984, 25pp., $15.

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COLORADO BUSINESS INDICATORS
(Figures in Thousands Unless Otherwise Indicated)

	August 1984	July 1984	August 1983	Percent Change August 1984 from July 1984	Percent Change August 1984 from August 1983
Total Civilian Labor Force (by place of residence)[a]	1,741.7	1,743.2	1,693.9	- 0.1	2.8
Unemployment	83.0	85.2	98.8	- 2.6	-16.0
Unemployment Rate (percent)	4.8	4.9	5.8	—	—
Employment	1,658.7	1,658.0	1,595.1	0.0	4.0
Nonagricultural Wage and Salary	1,612.1	1,608.4	1,547.9	0.2	4.2
Agricultural	46.6	49.6	47.2	- 6.0	- 1.3
Total Nonagricultural Wage and Salary Employment (by place of work)[a]	1,363.7	1,359.3	1,320.8	0.3	3.3
Mining	37.6	37.6	37.6	0.0	0.0
Metallic Minerals	6.9	6.9	5.9	0.0	17.0
Bituminous Coal, Lignite, and Nonmetallic	5.4	5.5	4.8	- 1.8	12.5
Oil and Gas Extraction	25.3	25.2	26.9	0.4	- 5.9
Contract Construction	90.0	89.3	87.7	0.8	2.6
Manufacturing	191.7	189.9	182.6	1.0	5.0
Lumber, Wood Products, and Furniture	6.3	6.2	6.5	1.6	- 3.1
Stone, Clay, Glass, and Concrete Products	10.1	10.1	9.6	0.0	5.2
Primary and Fabricated Metals	14.9	15.0	14.0	- 0.7	6.4
Machinery, Except Electrical	29.5	29.1	26.9	1.4	9.7
Electric and Electronic Equipment	20.0	19.8	18.9	1.0	5.8
Transportation Equipment	15.8	15.6	13.7	1.3	15.3
Other Durable Goods	28.1	27.8	28.2	1.1	- 0.4
Food and Kindred Products	25.0	24.5	25.1	2.0	- 0.4
Textiles and Apparel	3.2	3.2	3.0	0.0	6.7
Paper and Allied Products	2.2	2.2	2.1	0.0	4.8
Printing and Publishing	20.0	19.7	18.9	1.5	5.8
Chemicals and Allied Products	8.5	8.4	7.8	1.2	9.0
Other Nondurable Goods	8.1	8.2	8.1	- 1.2	0.0
Finance, Insurance, and Real Estate	89.2	89.2	87.2	0.0	2.3
Banking	22.4	22.3	22.2	0.5	0.9
Credit Agencies Other than Banks	15.2	15.1	14.7	0.7	3.4
Insurance Carriers, Agents, and Brokers	21.3	21.4	20.9	- 0.5	1.9
Real Estate and Combination Offices	22.7	22.7	22.3	0.0	1.8
Other Finance, Insurance, and Real Estate	7.6	7.7	7.1	- 1.3	7.0
Transportation and Public Utilities	85.9	86.3	78.1	- 0.5	10.0
Railroad Transportation	5.9	5.8	5.9	1.7	0.0
Trucking and Warehousing	17.2	17.1	16.7	0.6	3.0
Air Transportation	15.3	15.4	15.6	- 0.7	- 1.9
Other Transportation	6.8	6.8	6.6	0.0	3.0
Communications, Electric, Gas, and Sanitary Services	40.7	41.2	33.4	- 1.2	21.9
Trade	338.6	336.1	328.8	0.7	3.0
Wholesale Trade	79.8	80.0	78.9	- 0.3	1.1
Retail Trade	258.8	256.1	249.9	1.1	3.6
Services	302.3	300.0	291.7	0.8	3.6
Lodging and Combination Lodging/Eating Places	27.0	26.6	26.3	1.5	2.7
Personal Services	15.3	15.1	14.8	1.3	3.4
Business Services	61.6	60.1	56.6	2.5	8.8
Auto and Miscellaneous Repair Services	14.9	14.8	14.5	0.7	2.8
Amusements and Recreation	18.1	18.4	18.7	- 1.6	- 3.2
Health Services	76.1	75.7	75.3	0.5	1.1
Educational Services	9.9	10.0	8.7	- 1.0	13.8
Membership Organizations	21.8	22.0	21.2	- 0.9	2.8
Other Services	57.5	57.4	55.6	0.2	3.4
Government	228.4	230.9	227.1	- 1.1	0.6
Federal	52.2	53.1	53.0	- 1.7	- 1.5
State	50.3	51.7	50.0	- 2.7	0.6
Local	125.9	126.1	124.1	- 0.2	1.5

	August 1984	July 1984	August 1983	Percent Change August 1984 from July 1984	Percent Change August 1984 from August 1983
Average Weekly Hours					
Construction	39.6	39.5	39.4	0.3	0.5
Manufacturing	40.7	40.9	40.2	- 0.5	1.2
Durable Goods	41.2	41.4	40.8	- 0.5	1.0
Nondurable Goods	40.0	40.1	39.3	- 0.3	1.8
Average Weekly Earnings ($)					
Construction	514.01	513.10	520.87	0.2	- 1.3
Manufacturing	379.32	382.01	361.80	- 0.7	4.8
Durable Goods	391.81	395.37	372.91	0.9	5.1
Nondurable Goods	360.00	360.50	345.05	- 0.1	4.3
Initial Unemployment Claims (000)	n.r.	10.9	14.8	–	–
Bankruptcies, All Types (number)	584	493	567	18.5	3.0
Total State Revenue ($000)	508,268	596,016	581,642	-14.7	-12.6
Total State Expenditures ($000)	411,890	200,667	627,531	105.3	-34.4
Crude Oil Production (thous. bbls.)	2,368	2,411	2,447	- 1.8	- 3.2
Dry Gas Production (mil. cu. ft.)	10,931	9,588	9,043	14.0	20.9
Coal Production	1,580.2	1,006.9	1,632.0	56.9	- 3.2
New Oil and Gas Wells (number)	210	162	202	29.6	4.0
Natural Gas Used (bil. cu. ft.)	5.2	5.3	5.7	- 1.9	- 8.8
Electrical Power Sales (mil. kwh)					
Residential	522.1	488.3r	499.3	6.9	4.6
Nonresidential	1,344.3	1,250.5r	1,251.7	7.5	7.4
New Construction, 122 places					
Residential permits (number)	1,752	1,895	3,323	- 7.6	-47.3
Residential value ($000)	123,234	168,254	236,889	-26.8	-48.0
Nonresidential permits (number)	302	300	380	0.7	-20.5
Nonresidential value ($000)	92,583	161,374	85,405	-42.6	8.4
Highway Contractor Payments ($000)	23,450	24,204	12,975	- 3.1	80.7
Savings and Loan Net New Savings ($000,000)	82.8	63.1	17.5	31.2	373.1
National Park Recreational Visits–10 Areas (000)	1,138.3	1,137.2	1,355.5	0.1	-16.0
Motor Vehicle Title Applications (000)	127.3	85.3	90.3	49.2	41.0
Highway Vehicle Traffic Counts at Border Stations (daily average)	53,192*	54,418	53,529	- 2.3	- 0.6
Air Passengers, Stapleton (000)[b]	2,922	2,709	2,346	7.9	24.6
Air Freight and Air Express, Stapleton (thous. lbs.)	28,623	26,225	29,929	9.1	- 4.4
Prices Received by Farmers ($)					
Beef Cattle (per cwt)	62.40	64.50	60.10	- 3.3	3.8
Lamb (per cwt)	63.20	61.90	50.00	2.1	26.4
Wheat (per bu.)	3.22	3.17	3.26	1.6	- 1.2
Corn (per bu.)	3.22	3.32	3.25	- 3.0	- 0.9
Potatoes (per cwt)	6.70	–	5.00	–	34.0
Wool (per lb.)	.75	.75	.48	0.0	56.3

NOTES: An asterisk (*) indicates preliminary data subject to revision.
Revised data are marked (r).
n.r.–not reported.

[a]Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

[b]Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.
Bankruptcies from the Office of the Federal Referee in Bankruptcy.
State Revenue and Expenditures from the State Controller's Office.
Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.
Coal Production from Colorado State Coal Mine Inspection Department.
Natural Gas Used from Colorado Interstate Gas Company.
Electrical Power Sales from 17 individual companies.
New Construction from Bureau of the Census, U.S. Department of Commerce.
Highway Contractor Payments from the Colorado Highway Department.
Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.
Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.
Recreational Visits from National Park Service, Denver.
Highway Traffic counts from Colorado Highway Department.
Air Passengers, Freight, and Express from Stapleton International Airport Business Office.
Prices Received by Farmers from U.S. Department of Agriculture.

LOCAL BUSINESS CONDITIONS
(All Figures in Thousands)

	August 1984	July 1984	August 1983
ALAMOSA (1982 pop. 7,182)			
Electric Power (kwh)	3,255	3,027	3,177
Constr. ($)—Res.	62	40	65
—Nonres.	161	0	0
Deposits ($) (2 of 2 banks)	53,345	52,267	52,425
ARVADA (1982 pop. 91,262)			
Electric Power (kwh)	31,819	28,331	28,577
Constr. ($)—Res.	4,412	3,166	4,054
—Nonres.	1,378	3,762	107
Deposits ($) (4 of 5 banks)	129,925	126,291	108,960
ASPEN (1982 pop. 4,081)			
Electric Power (kwh)	2,841	2,701	2,986
Constr. ($)—Res.	230	956	275
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	97,699	95,335r	94,017
AURORA (1982 pop. 178,665)			
Electric Power (kwh)	101,405	101,589	88,632
Constr. ($)—Res.	5,515	27,614	25,394
—Nonres.	8,888	15,030	2,381
Deposits ($) (13 of 16 banks)	328,368	329,741	283,607
BOULDER (1982 pop. 80,651)			
Electric Power (kwh)	66,417	65,093	61,060
Constr. ($)—Res.	859	2,683	4,670
—Nonres.	2,678	475	2,330
Deposits ($) (10 of 10 banks)	611,760	624,773	593,200
BRIGHTON (1982 pop. 13,239)			
Electric Power (kwh)	5,440	5,330	5,368
Constr. ($)—Res.	268	262	127
—Nonres.	179	172	301
Deposits ($) (2 of 2 banks)	71,373	75,601	59,597
BROOMFIELD (1982 pop. 22,452)			
Electric Power (kwh)	10,991	10,953	10,551
Constr. ($)—Res.	395	4,782	3,701
—Nonres.	1,543	0	648
Deposits ($) (2 of 2 banks)	73,291	70,834	60,220
CANON CITY (1982 pop. 13,576)			
Electric Power (kwh)	23,686	23,670	25,083
Constr. ($)—Res.	58	155	121
—Nonres.	0	0	238
Deposits ($) (3 of 3 banks)	123,634	119,227	112,394
COLORADO SPRINGS (1982 pop. 230,553)			
Electric Power (kwh)	181,937	182,948	174,311
Constr. ($)—Res.[a]	14,470	25,066	29,890
—Nonres.	26,739	56,568	46,315
Deposits ($) (18 of 21 banks)	1,199,911*	1,193,669	1,071,148
COMMERCE CITY (1982 pop. 16,412)			
Electric Power (kwh)	29,769	26,569	30,366
Constr. ($)—Res.	60	0	229
—Nonres.	0	999	260
Deposits ($) (1 of 1 bank)	30,603	31,731	26,833
CORTEZ (1982 pop. 7,489)			
Electric Power (kwh)	3,532	3,536	3,560
Constr. ($)—Res.	504	147	76
—Nonres.	143	60	0
Deposits ($) (3 of 3 banks)	101,914	101,068	94,671
CRAIG (1982 pop. 10,000)			
Electric Power (kwh)	3,918	3,692	4,110
Constr. ($)—Res.	0	0	47
—Nonres.	0	5	0
Deposits ($) (2 of 2 banks)	65,094	65,731	66,110
DENVER (1982 pop. 500,600)			
Electric Power (kwh)	400,584	362,366	369,239
Constr. ($)—Res.	5,440	16,243	13,582
—Nonres.	8,937	4,757	16,066
Deposits ($) (45 of 48 banks)	6,967,911*	7,405,934r	7,130,518
DURANGO (1982 pop. 12,276)			
Electric Power (kwh)	7,930	8,649	5,708
Constr. ($)—Res.	211	264	597
—Nonres.	0	2	237
Deposits ($) (4 of 4 banks)	155,236	156,153	140,406
ENGLEWOOD (1982 pop. 30,555)			
Electric Power (kwh)	25,265	23,938	23,046
Constr. ($)—Res.	145	161	198
—Nonres.	260	1,469	78
Deposits ($) (10 of 14 banks)	475,195*	463,721*	417,505
ESTES PARK (1982 pop. 2,934)			
Electric Power (kwh)	5,156	5,166	4,946
Constr. ($)—Res.	491	78	782
—Nonres.	0	0	130
Deposits ($) (2 of 2 banks)	45,531	45,234	44,648
FORT COLLINS (1982 pop. 68,307)			
Electric Power (kwh)	47,297	39,343	45,773
Constr. ($)—Res.	2,709	5,626	3,994
—Nonres.	6,954	9,493	624
Deposits ($) (9 of 9 banks)	472,206	457,592	406,404
FORT MORGAN (1982 pop. 8,913)			
Electric Power (kwh)	7,087	8,204	7,808
Constr. ($)—Res.	207	75	239
—Nonres.	0	32	0
Deposits ($) (3 of 3 banks)	105,568	107,319	99,042
GLENWOOD SPRINGS (1982 pop. 5,000)			
Electric Power (kwh)	5,219	5,734	5,250
Constr. ($)—Res.	139	0	294
—Nonres.	0	0	0
Deposits ($) (4 of 4 banks)	141,791	141,846	129,658
GOLDEN (1982 pop. 13,109)			
Electric Power (kwh)	6,437	6,621	6,376
Constr. ($)—Res.	386	633	867
—Nonres.	0	0	634
Deposits ($) (3 of 3 banks)	186,822	178,985	161,682
GRAND JUNCTION (1982 pop. 32,082)			
Electric Power (kwh)	22,345	21,331	21,527
Constr. ($)—Res.[a]	147	0	139
—Nonres.[a]	400	0	5,180
Deposits ($) (6 of 6 banks)	336,068	338,020	336,765
GREELEY (1982 pop. 54,063)			
Electric Power (kwh)[a]	31,621	28,512	27,041
Constr. ($)—Res.[a]	1,085	859	1,962
—Nonres.[a]	737	597	13,314
Deposits ($) (9 of 9 banks)	505,364	493,501	477,421
GUNNISON (1982 pop. 6,031)			
Electric Power (kwh)[a]	3,140	3,313	3,097
Constr. ($)—Res.[a]	0	0	0
—Nonres.[a]	37	0	39
Deposits ($) (2 of 2 banks)	55,477	54,049	51,800
LA JUNTA (1982 pop. 8,338)			
Electric Power (kwh)[a]	5,858	5,832	6,044
Constr. ($)—Res.[a]	0	0	0
—Nonres.[a]	0	941	0
Deposits ($) (2 of 2 banks)	62,149	58,960	52,790

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LOCAL BUSINESS CONDITIONS—Continued

	August 1984	July 1984	August 1983
LAFAYETTE (1982 pop. 10,115)			
Electric Power (kwh)	2,894	2,955	2,644
Constr. ($)—Res.	512	718	314
—Nonres.	1,352	367	0
Deposits ($) (1 of 1 bank)	n.r.	n.r.	17,446
LAKEWOOD (1982 pop. 117,436)			
Electric Power (kwh)	69,307	62,134	62,039
Constr. ($)—Res.	3,897	2,052	23,561
—Nonres.	9,321	1,802	177
Deposits ($) (12 of 12 banks)	580,722*	584,010*	573,762
LAMAR (1982 pop. 7,793)			
Electric Power (kwh)	8,092	7,815	8,787
Constr. ($)—Res.	158	54	174
—Nonres.	13	151	0
Deposits ($) (2 of 2 banks)	88,284	87,280	81,761
LITTLETON (1982 pop. 30,001)			
Electric Power (kwh)	18,874	19,764	16,754
Constr. ($)—Res.	2,648	3,556	975
—Nonres.	157	8,290	136
Deposits ($) (9 of 12 banks)	226,955	228,399	184,814
LONGMONT (1982 pop. 46,313)			
Electric Power (kwh)	27,456	24,821	24,824
Constr. ($)—Res.	2,937	3,686	2,042
—Nonres.	840	2,743	420
Deposits ($) (5 of 6 banks)	250,408	239,071	213,267
LOUISVILLE (1982 pop. 6,067)			
Electric Power (kwh)	20,649	2,990	10,807
Constr. ($)—Res.	595	2,822	7,018
—Nonres.	357	403	765
Deposits ($) (2 of 2 banks)	32,168	31,567	27,999
LOVELAND (1982 pop. 30,962)			
Electric Power (kwh)	22,586	20,499	23,561
Constr. ($)—Res.	1,454	2,848	1,317
—Nonres.	1,821	1,316	0
Deposits ($) (5 of 5 banks)	176,834	172,287	152,533
MONTROSE (1982 pop. 8,895)[b]			
Constr. ($)—Res.	111	165	0
—Nonres.	0	500	0
Deposits ($) (3 of 3 banks)	122,339	125,880	114,016
NORTHGLENN (1982 pop. 30,980)			
Electric Power (kwh)	13,263	11,572	11,805
Constr. ($)—Res.	209	0	134
—Nonres.	80	1,188	358
Deposits ($) (2 of 3 banks)	77,753	78,584	67,473
PUEBLO (1982 pop. 99,619)			
Electric Power (kwh)	54,767	53,251	54,296
Constr. ($)—Res.	289	208	406
—Nonres.	820	101r	802
Deposits ($) (8 of 9 banks)	420,912	420,290	395,696
ROCKY FORD (1982 pop. 4,574)			
Electric Power (kwh)	6,501	6,063	6,557
Constr. ($)—Res.	22	0	0
—Nonres.	0	0	0
Deposits ($) (1 of 2 banks)	14,458	14,284	14,456
SALIDA (1982 pop. 4,478)			
Electric Power (kwh)	1,585	1,755	1,846
Constr. ($)—Res.	0	0	103
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	40,769	41,599	40,237
STERLING (1982 pop. 11,470)			
Electric Power (kwh)	7,207	6,427	7,179
Constr. ($)—Res.	0	0	73
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	150,893	148,878	144,208
THORNTON (1982 pop. 44,130)			
Electric Power (kwh)	19,509	17,107	16,988
Constr. ($)—Res.	4,487	3,537	6,322
—Nonres.	3,435	793	661
Deposits ($) (1 of 1 bank)	35,908	31,604	28,136
TRINIDAD (1982 pop. 9,900)			
Electric Power (kwh)	2,802	2,754	2,755
Constr. ($)—Res.	0	0	60
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	61,407	60,260	56,440
WESTMINSTER (1982 pop. 54,995)			
Electric Power (kwh)	28,314	21,006	23,419
Constr. ($)—Res.	3,269	5,128	4,393
—Nonres.	0	4,920	580
Deposits ($) (3 of 3 banks)	121,400	120,558	102,346
WHEAT RIDGE (1982 pop. 31,743)			
Electric Power (kwh)	25,118	25,754	24,551
Constr. ($)—Res.	387	253	482
—Nonres.	2,636	604	229
Deposits ($) (2 of 2 banks)	111,594	107,510	92,784

[a]Regional figures.
[b]Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.
Construction figures are valuation of new residential and nonresidential construction only.
Deposit figures are total deposits in commercial banks as of last day of month.
n.r.—not reported
*—preliminary data
r—revised data